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SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
WEED, CALIFORNIA

AUDIT REPORT

Fiscal Year Ended June 30, 2022

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SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
TABLE OF CONTENTS
JUNE 30, 2022

OTHER INDEPENDENT AUDITORS' REPORTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Siskiyou Joint Community College District
Weed, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the fiduciary activities of Siskiyou Joint Community College District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Siskiyou Joint Community College District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the fiduciary activities of Siskiyou Joint Community College District as of June 30, 2022, and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Siskiyou Joint Community College District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information section, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information listed in the Table of Contents, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Management's Discussion and Analysis section and unaudited supplementary information section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 8, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CWDL, Certified Public Accountants

San Diego, California
August 8, 2023

MANAGEMENT’S DISCUSSION AND ANALYSIS

ADMINISTRATIVE SERVICES

USING THIS ANNUAL REPORT

As required by Governmental Accounting Standards Board (GASB) accounting principles, the annual report consists of three basic financial statements that provide information on the District's activities as a whole: The Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. The Statement of Net Position presents the assets, liabilities, and net position of the District as of the end of the fiscal year using the accrual basis of accounting, which is comparable to the accounting basis used by most private-sector institutions. Net position – the difference between assets and liabilities – are one way to measure the financial health of the District. The Statement of Revenues, Expenses, and Changes in Net Position focuses on the costs of the District's operational activities, which are supported mainly by State apportionment, property taxes, and other revenues. This approach is intended to summarize and simplify the user's analysis of the cost of various District services to students and the public. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities by $8.4 million in 2021-22 and liabilities exceeded assets by $4.5 million in 2020-21.

- At the close of the 2022 and 2021 fiscal years, the balance designated for economic uncertainties and the undesignated fund balance for the General Fund exceeded the State Chancellor's Office guideline of 5% of the General Fund expenses.

- Resident Full-Time Equivalent Students (FTES) for 2021-22 and 2020-21 as reported on the annual CCFS-320 were 1,233 and 1,264, respectively. The District's FTES declined for a second year due to the continuing effects of the COVID-19 pandemic that started in March 2020. Although the District converted as many courses as possible to an on-line modality, the ongoing effects of COVID-19 greatly affected the District's ability to continue to offer all its courses. Moving forward, the District is formulating ways to increase its base enrollments as well as finding alternative means to provide courses for the students that will help them meet their educational goals.

FINANCIAL HIGHLIGHTS, continued

- For the 2022 and 2021 fiscal years, total student financial aid offered to qualifying students throughout the District exceeded $4.17 million and $3.59 million, respectively, and is provided through grants and loans from the federal government, State Chancellor's Office, and local funding.

- Cost of employee benefits has stabilized for 2021-22 and 2020-21 under the contract with California Valued Trust (CVT) for health and prescription coverage. For 2021-22, the District paid the pay-as-you-go amount without any additional contribution to the trust.

- On-campus housing remained operational during the 2021-22 academic year. Only single bed spaces were offered for fall 2021. Demand for housing existed, and all 72 single rooms were occupied in fall 2021. Lodge staff offered limited double rooms for spring 2022 for students in similar cohorts, and double room recommendations required each program director's approval. Spring 2022 experienced an increase in COVID cases, and occupancy was again restricted to single rooms and only a few double offerings. A total of 80 students could live on campus, and 100% of the beds were occupied. Summer 2022 conferences were held on campus in June and July. Conference groups were supported by increased cleaning and sanitization routines.

STATEMENT OF NET POSITION

The Statement of Net Position includes all assets and liabilities using the full accrual basis of accounting, which is similar to the accounting method used by most private-sector institutions. Net position, the difference between assets and liabilities, are one way to measure the financial health of the District.

	2022	2021	Change
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets	$ 20,159,979	$ 17,203,432	$ 2,956,547
Non-current assets	47,557,265	46,597,212	960,053
Deferred outflows of resources	3,214,100	4,309,657	(1,095,557)
Total Assets and Deferred Outflows of Resources	70,931,344	68,110,301	2,821,043
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities	12,425,868	11,794,558	631,310
Non-current liabilities	46,904,143	56,456,162	(9,552,019)
Deferred inflows of resources	7,940,647	1,453,000	6,487,647
Total Liabilities and Deferred Inflows of Resources	67,270,658	69,703,720	(2,433,062)
NET POSITION			
Invested in capital assets, net of related debt	8,187,251	7,429,985	757,266
Restricted	7,043,504	6,832,307	211,197
Unrestricted	(11,570,069)	(15,855,711)	4,285,642
Total Net Position	$ 3,660,686	$ (1,593,419)	$ 5,254,105

This schedule has been prepared from the District's Statement of Net Position (page 14), which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated, and long-term liabilities are recorded.

Cash and short-term investments consist primarily of funds held in the Siskiyou County Treasury and U.S. Bank. The changes in the cash position are explained in the Statement of Cash Flows (pages 16 and 17).

Non-current liabilities consist of the General Obligation Bonds and related premiums, lease purchase agreement, compensated absences, net pension liability and net OPEB liability. The current portion represents the amount of principal to be paid within the next year.

OPERATING RESULTS

	2022	2021	Change
OPERATING REVENUES			
Tuition and fees, net	$ 2,699,066	$ 2,704,663	$ (5,597)
Grants and contracts	4,092,101	3,537,006	555,095
Auxiliary enterprise sales, net	676,350	628,338	48,012
Total Operating Revenues	7,467,517	6,870,007	597,510
OPERATING EXPENSES			
Salaries and benefits	15,878,170	18,900,673	(3,022,503)
Supplies, materials, and other operating expenses	7,715,869	6,607,100	1,108,769
Financial aid expenses	4,174,412	3,585,854	588,558
Depreciation	2,126,980	1,894,884	232,096
Total Operating Expenses	29,895,431	30,988,511	(1,093,080)
Operating Loss	(22,427,914)	(24,118,504)	1,690,590
NON-OPERATING REVENUES (EXPENSES)			
State apportionments, noncapital	10,915,222	10,912,259	2,963
Education protection account revenues, noncapital	4,105,292	3,258,196	847,096
Local property taxes, noncapital	4,584,056	4,393,573	190,483
State taxes and other revenues, noncapital	2,991,515	3,738,780	(747,265)
Financial aid revenues	3,494,886	3,261,151	233,735
Investment income	124,514	108,361	16,153
Interest expense	(1,535,603)	(1,542,718)	7,115
Other non-operating revenues	184,040	189,288	(5,248)
Total Non-Operating Revenues (Expenses)	24,863,922	24,318,890	545,032
OTHER REVENUES (EXPENSES)			
Local property taxes and revenues, capital	1,818,097	1,722,187	95,910
Change in Net Position	$ 5,254,105	$ 1,922,573	$ 3,331,532

This schedule has been prepared from the Statement of Revenues, Expenses, and Changes in Net Position (page 15).

Auxiliary revenues consist of bookstore and cafeteria sales and charges. Room and board for the students are not part of auxiliary revenue but are included in tuition and fees under operating revenues. These operations are intended to be self-supporting through student related activities.

Grant and contract revenues relate to specific federal and State grants received for programs serving the students of the District. These grant and program revenues are restricted as to the allowable expenses related to the programs.

OPERATING RESULTS, continued

For 2022 and 2021, the District is recording the depreciation expense related to capital assets. The detail of the changes in capital assets for the year is included in the notes to the financial statements as Note 4.

The primary operating receipts are student tuition and fees and federal, state, and local grants and contracts. The primary operating expense of the District is the payment of salaries and benefits to instructional and classified support staff.

While state apportionment and property taxes are the primary source of noncapital related revenue, the adoption of changes to GASB accounting standards require that this source of revenue is shown as nonoperating revenue as it comes from the general resources of the State and not from the primary users of the District's programs and services (students). The District depends upon this funding as the primary source of funds to continue the current level of operations.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows provides information about cash receipts and payments during the year. This statement also assists users in assessing the District's ability to meet its obligations as they come due and any potential need for external financing. This schedule is prepared from the Statement of Cash Flows presented on pages 16 and 17.

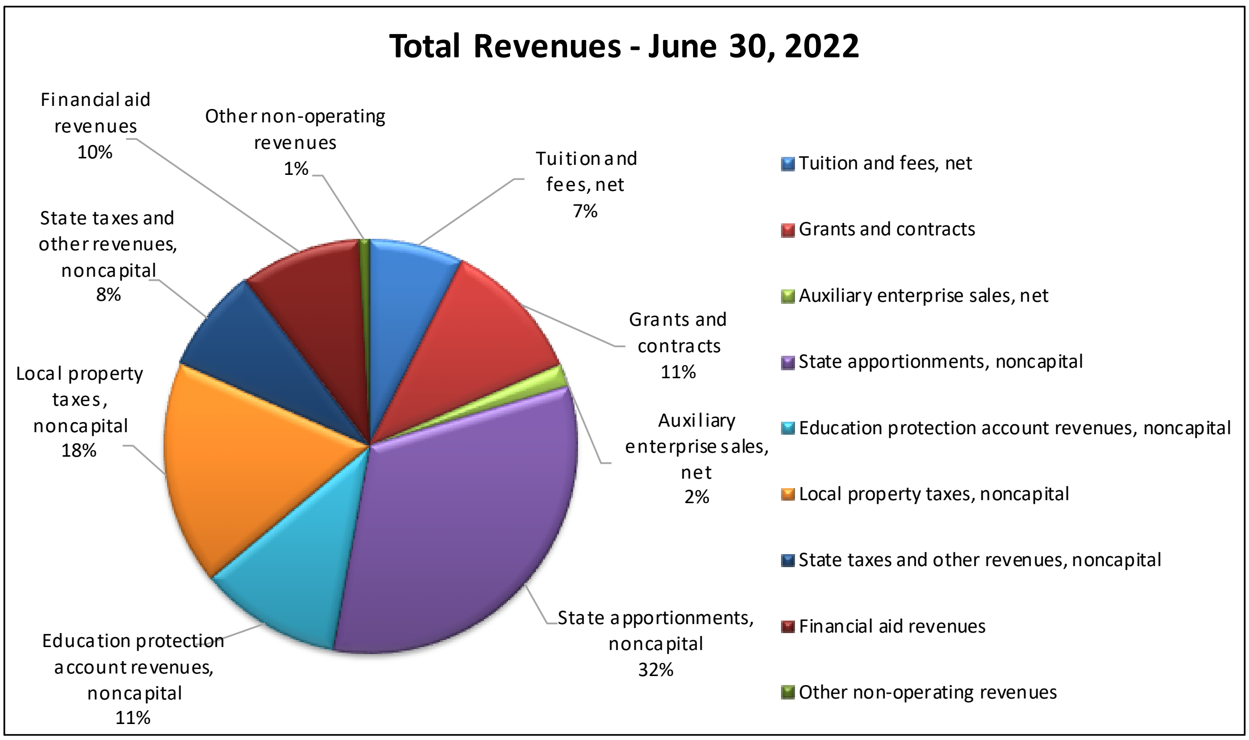
	2022	2021	Change
CASH PROVIDED BY (USED IN)			
Operating activities	$ (15,182,190)	$ (24,143,127)	$ 8,960,937
Non-capital financing activities	23,275,011	28,753,247	(5,478,236)
Capital financing activities	(810,760)	(888,840)	78,080
Investing activities	124,514	108,361	16,153
Net Increase (Decrease) in Cash and Cash Equivalents	$ 7,406,575	$ 3,829,641	$ 3,576,934

REVENUES

The District's major sources of revenues include State aid, property taxes, and grants and contracts. The primary basis of the apportionment component is the calculation of full-time equivalent students (FTES).

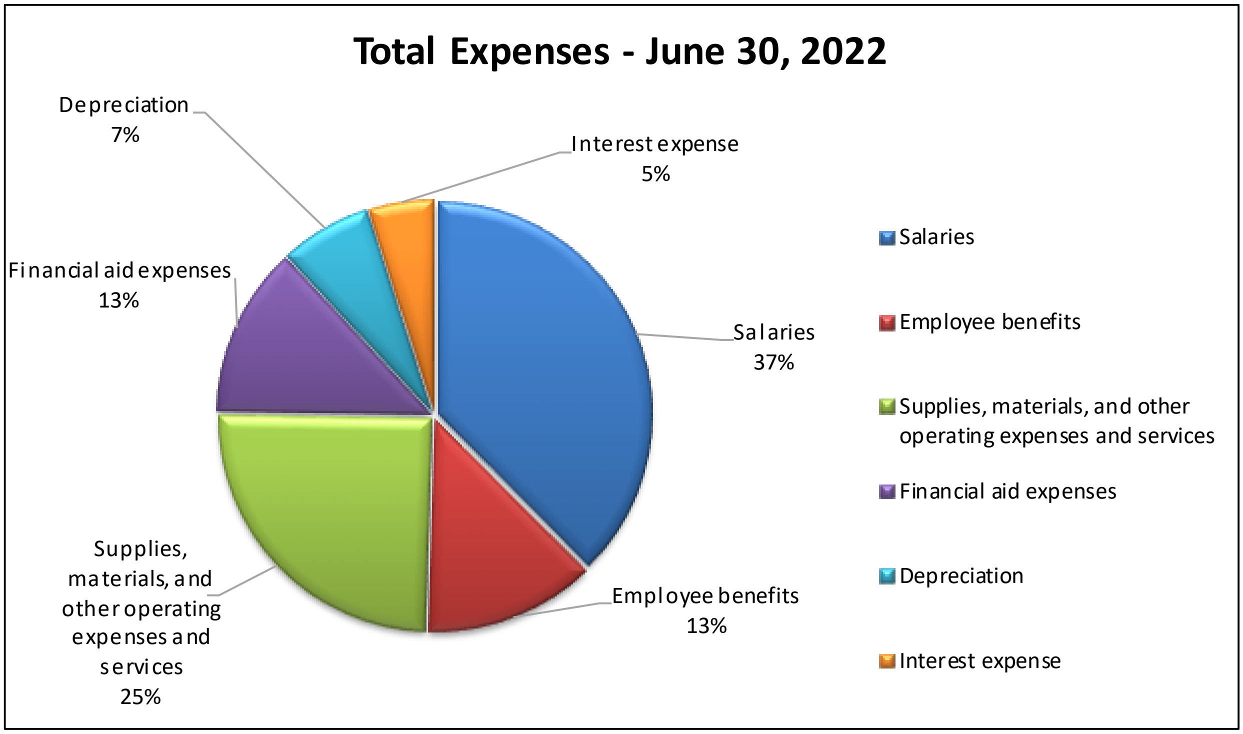
Of the revenue sources, State apportionment, property taxes, and enrollment fees are District General Revenues and commonly referred to as the "base revenue" to which adjustments for COLA, program improvement, growth, restoration, and any applicable deficit factor is applied. Adjustments to the "base revenue" are typically calculated twice each fiscal year and distributed through the First Principal Apportionment Statement (P1) in mid-February and the Second Principal Apportionment Statement (P2) in early June of each fiscal year.

In fiscal years 2022 and 2021, the District's total revenues totaled $33,867,042 and $34,453,802, respectively. Total revenues for the District by major category are as follows:



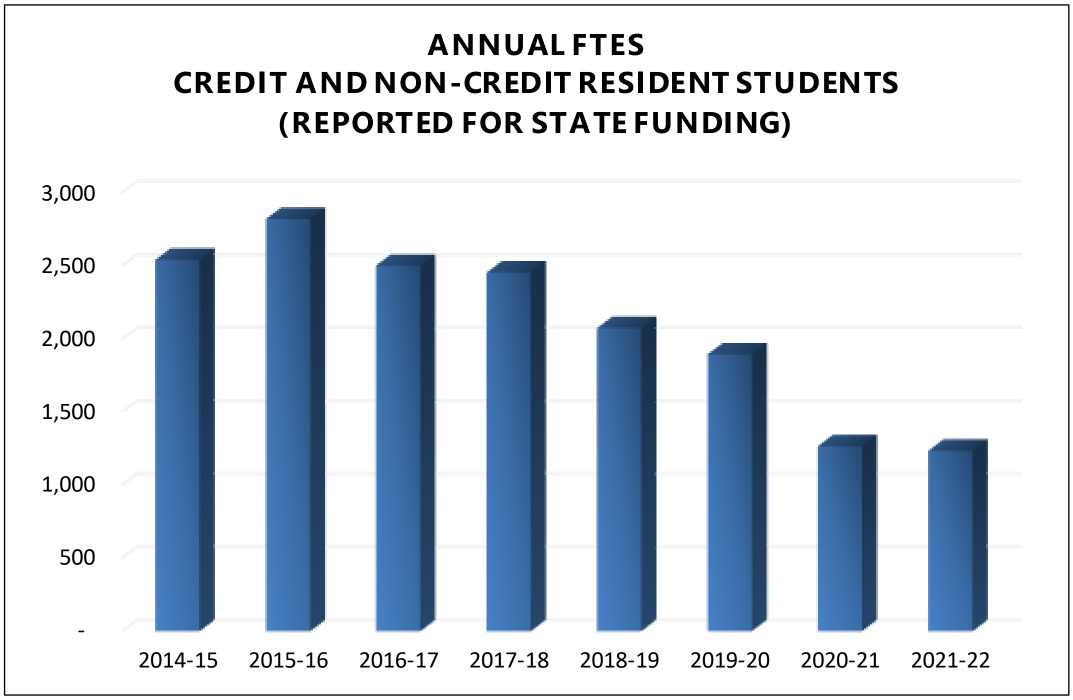
EXPENSES

The District expenses in the unrestricted General Fund were to provide classroom instruction, counseling and student support services, physical plant related activities, administration, and general support services. For the fiscal years ended June 30, 2022 and 2021, the District's expenses totaled $31,431,034 and $32,531,229, respectively. Total expenses for the District by major category are as follows:



FULL-TIME EQUIVALENT STUDENTS (FTES)

The District's primary funding source is from apportionment received from the State of California. The primary basis of this apportionment is the calculation of Full-Time Equivalent Students (FTES). See the below chart for a historical perspective on the changes in FTES over the past 8 fiscal years.



COLLEGE OF THE SISKIYOUS AUXILIARY FOUNDATION

The Auxiliary Foundation was established as a 501(c)(3) non-profit charitable organization in 1992 to provide a vehicle for financial support from the community and beyond. It supports the mission and values of College of the Siskiyous by fostering community relationships and raising funds to enhance exceptional learning environments. This is accomplished through fundraising events, soliciting donations and contributions, and dispensing funds to support the College of the Siskiyous students and programs.

Throughout the year the Foundation conducts or assists campus personnel in a variety of friend-raising and fundraising activities including the Campus Employee Payroll Deduction Campaign, Annual Giving Campaign, North State Giving Tuesday, Scholarship Fundraising Dinner, and Holiday Craft Fair. Additionally, the Foundation serves as fiscal sponsor for numerous campus clubs, manages the Scholarship program, and coordinates and funds the campus Mini-Grant Program and Emergency Grant Program for Students.

The Foundation manages fiscal sponsorships that generate income for the Foundation, including the Eagle's Nest Resale Shop. The Eagle's Nest Shop has a paid manager and is staffed by numerous volunteers and student employees at its downtown Weed location. The Shop provides a training site for students and helps to meet the retail needs of Weed and its surrounding community.

The Foundation manages approximately 35 endowed scholarships valued at over $1.2 million, as well as the Rural Health Sciences Institute (RHSI) Program endowment, valued at over $2 million. The RHSI endowment was funded through a variety of sources: a 2006 Title III federal grant; funds contributed by local foundations; and COS Foundation fundraising activities from individuals and businesses. The endowment helps support the annual technology and maintenance needs of the RHSI and since 2013 has provided $494,853 in total funding. In June 2019, the COS Foundation ended its long-standing relationship with Edward Jones Investments following a search for a new Investment Firm. Sand Hill Global Advisors was chosen as the new management firm for the College Foundation and funding was transferred in July 2019. The Foundation's investments have since grown and are now at a combined total of $3.8 million (June 30, 2022).

ECONOMIC FACTORS AFFECTING THE SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT

The economic position of College of the Siskiyous is closely tied to the state of California as State apportionments and property taxes allocated to the District represent approximately 86% of the total unrestricted resources of revenues received by the District. For 2021-22, the Chancellor's Office continued with the Student-Centered Funding Formula that not only accounts for full-time equivalent students (FTES), but is also calculated on need-based factors and program completion rates. Additional funding is provided based on a point system for economic need and numerous program completion factors. There are hold harmless provision built into the Student-Centered Funding Formula to protect districts as the new formula is fully implemented over the next few years.

During 2021-22, the state of California and the California Community College (CCC) system continued to be affected by COVID-19. College of the Siskiyous, like most Districts around the CCC System, still experienced a decline in student enrollments, however the CCC system working with the State, was able to align the State's revenue sources. The state's hold-harmless provisions have been extended through fiscal year 2024-25.

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ECONOMIC FACTORS AFFECTING THE SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT, continued

The fires that occurred in Siskiyou County in 2021-2022 had a significant impact on the county's economy. The fires destroyed homes, businesses, and infrastructure, and displaced thousands of residents. The economic impacts of the fires included loss of jobs (fires destroyed or damaged many businesses, which led to job losses); loss of tourism (fires also damaged many tourist destinations, which led to a decline in tourism); and increased costs (businesses had to pay for fire suppression, clean-up, and repairs and the cost of insurance increased). The economic impacts of the fires are still being felt in Siskiyou County. The full recovery from the fires will take many years.

For 2021-22, the District continued with many on-line classes, but implemented its plan to reopen the campus to whatever extent allowable with appropriate physical distancing, and health and safety protocols in place. The District utilized its HEERF Institutional funds to maintain a safe learning and working environment for students, faculty and staff. In addition, the District continued to support the students through emergency financial aid grants with the use of emergency federal HEERF Act funding.

We recognize that as programs and facilities are added, financial responsibilities also increase. We also understand that state funding may not completely meet these added responsibilities. In support of the District's mission, the College's Auxiliary Foundation has provided consistent support of District programs and needs through the Rural Health Sciences Institute endowment established under the Title III grant a number of years ago. One-half of the net earnings produced by the endowment each year may be used to support facility and program needs of the Rural Health Sciences Institute. Since 2013, the endowment has contributed approximately $506,500 in support of the District's programs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need any additional financial information, please contact the District at: Siskiyou Joint Community College District, 800 College Ave., Weed, CA 96094 or visit the District's website at http://www.siskiyous.edu/.

FINANCIAL SECTION

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

	District	Foundation
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 16,119,519	$ 455,406
Accounts receivable, net	3,735,614	(34,080)
Inventory	120,436	-
Due from Foundation	8,003	-
Prepaid expenditures and other assets	176,407	1,596
Total Current Assets	20,159,979	422,922
Noncurrent Assets:		
Restricted cash and cash equivalents	10,268,046	-
Investments	-	3,794,251
Beneficial interest in remainder trusts	-	51,773
Capital assets, net	37,289,219	-
Total Noncurrent Assets	47,557,265	3,846,024
TOTAL ASSETS	67,717,244	4,268,946
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	382,507	-
Deferred outflows - pensions	2,831,593	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 70,931,344	$ 4,268,946
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	$ 4,590,484	$ 47,984
Unearned revenue	6,327,527	1,196
Due to District	-	1,556
Amounts held for others	25,316	-
Compensated absences, current portion	257,531	-
Long-term debt, current portion	1,225,010	-
Total Current Liabilities	12,425,868	50,736
Noncurrent Liabilities:		
Compensated absences, noncurrent portion	85,844	-
Net OPEB liability	4,785,411	-
Net pension liability	10,902,788	-
Long-term debt, noncurrent portion	31,130,100	-
Total Noncurrent Liabilities	46,904,143	-
TOTAL LIABILITIES	59,330,011	50,736
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pensions	7,751,464	-
Deferred inflows - OPEB	189,183	-
NET POSITION		
Net investment in capital assets	8,187,251	-
Restricted for:		
Debt service	7,051,258	-
Capital projects	(7,754)	-
With donor restrictions	-	3,692,067
Unrestricted	(11,570,069)	526,143
TOTAL NET POSITION	3,660,686	4,218,210
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 70,931,344	$ 4,268,946

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	District	Foundation
OPERATING REVENUES		
Tuition and fees (gross)	$ 3,257,920	$ 149,016
Less: Scholarship discounts and allowances	(558,854)	-
Net tuition and fees	2,699,066	149,016
Grants and contracts, noncapital:		
Federal	1,479,384	-
State	2,185,698	-
Local	427,019	417,665
Auxiliary enterprise sales, net	676,350	-
TOTAL OPERATING REVENUES	7,467,517	566,681
OPERATING EXPENSES		
Salaries	11,789,389	109,623
Employee benefits	4,088,781	44,266
Supplies, materials, and other operating expenses and services	7,715,869	397,756
Financial aid expenses	4,174,412	-
Depreciation	2,126,980	-
TOTAL OPERATING EXPENSES	29,895,431	551,645
OPERATING INCOME (LOSS)	(22,427,914)	15,036
NON-OPERATING REVENUES (EXPENSES)		
State apportionments, noncapital	10,915,222	-
Education protection account revenues, noncapital	4,105,292	-
Local property taxes, noncapital	4,584,056	-
State taxes and other revenues, noncapital	2,991,515	-
Financial aid revenues	3,494,886	-
Investment income	124,514	(585,375)
Interest expense	(1,535,603)	-
Other non-operating revenues	184,040	159
TOTAL NON-OPERATING REVENUES (EXPENSES)	24,863,922	(585,216)
INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	2,436,008	(570,180)
Local property taxes and revenues, capital	1,818,097	-
INCREASE (DECREASE) IN NET POSITION	5,254,105	(570,180)
NET POSITION -- BEGINNING OF YEAR	(1,593,419)	4,788,390
NET POSITION -- END OF YEAR	$ 3,660,686	$ 4,218,210

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	District	Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	$ 2,699,066	$ 149,016
Grants and contracts	8,221,247	418,861
Payments to or on behalf of employees	(16,570,174)	(153,889)
Payments to vendors for supplies and services	(7,348,726)	(338,332)
Payment to students	(2,837,283)	-
Other receipts	653,680	(34,273)
Net Cash Provided (Used) by Operating Activities	(15,182,190)	41,383
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
State apportionments	10,915,222	-
Education protection account revenue	4,105,292	-
Financial aid revenues	3,494,886	-
Property taxes	4,584,056	-
State taxes and other revenues	2,991,515	-
Proceeds from TRANs	(3,000,000)	-
Other non-operating	184,040	159
Net Cash Provided (Used) by Non-capital Financing Activities	23,275,011	159
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(2,105,185)	-
Local revenue, capital	1,818,097	-
Principal paid on capital debt	(1,131,809)	-
Interest paid on capital debt	(391,863)	-
Net Cash Provided (Used) by Capital Financing Activities	(810,760)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	124,514	(51,438)
Net Cash Provided (Used) by Investing Activities	124,514	(51,438)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	7,406,575	(9,896)
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	18,980,990	465,302
CASH & CASH EQUIVALENTS, END OF YEAR	$ 26,387,565	$ 455,406

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	District	Foundation
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	$ (22,427,914)	$ 15,036
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation expense	2,126,980	-
Changes in Assets and Liabilities:		
Receivables, net	3,472,834	42,286
Inventory	7,235	-
Prepaid items	(39,715)	404
Due from Foundation/District	27,826	-
Deferred outflows of resources	1,048,237	-
Accounts payable and accrued liabilities	1,440,973	16,734
Due to Foundation/District	-	(34,273)
Deferred revenue	1,942,945	1,196
Compensated absences	(77,507)	-
Net OPEB liability	(302,124)	-
Net pension liability	(8,889,607)	-
Deferred inflows of resources	6,487,647	-
Total Adjustments	7,245,724	26,347
Net Cash Flows From Operating Activities	$ (15,182,190)	$ 41,383

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Definition of the Reporting Entity

Siskiyou Joint Community College District (the District) is a community college governed by an elected seven-member Board of Trustees. The District provides educational services to the local residents of the surrounding area. The District consists of one community college located in Weed, California, and a satellite campus in Yreka, California.

For financial reporting purposes, the District includes all funds, agencies, and authorities that are controlled by, or dependent on, the District's executive and legislative branches. Control by, or dependence on, the District was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the District, obligations of the District to finance any deficits that may occur, or receipt of significant subsidies from the District.

As a result, the financial statements of the District include the financial activities of the District and the combined totals of the trust and agency funds, which represent the various scholarships and student organizations within the District.

The District identified the College of the Siskiyous Foundation (the Foundation) as its only potential component unit. The District and the Foundation have financial and operational relationships that meet the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) for inclusion of the Foundation as a component unit of the District. Accordingly, the financial activities of the Foundation as a component unit have been included in the financial statements of the District.

The following are those aspects of the relationship between the District and the Foundation as the component unit that satisfies the GASB:

> *Accountability*: The District is able to impose its will upon the Foundation. The Foundation provides specific financial benefits, or imposes specific financial burdens, on the District.
>
> *Scope of Public Service*: The Foundation is a nonprofit public benefit corporation incorporated under the laws of the state of California. The Foundation was formed to promote and assist the educational services of the District.
>
> *Discrete Presentation*: For financial presentation purposes, the Foundation's financial activities have been discretely presented with the financial activities of the District.

Basis of Presentation and Accounting – The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities (BTA). Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. All significant intra-agency transactions have been eliminated.

The budgetary and financial accounts of the District are recorded and maintained in accordance with the *California Community Colleges Budget and Accounting Manual*.

Cash, Cash Equivalents and Investments – The District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, provides that amounts held in external investment pools be reported at fair value. However, cash in the County Treasury is recorded at the value of the pool shares held, which approximates the fair value of the underlying cash and investments of the pool.

Restricted Cash and Cash Equivalents – Restricted cash and cash equivalents include amounts restricted for the repayment of debt, for use in the acquisition or construction of capital assets, for restricted programs, for any other restricted purpose, or in any funds restricted in purpose per the *California Community Colleges Budget and Accounting Manual*.

Accounts Receivable – Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the state of California. Accounts receivable also include amounts due from the federal, state, and local governments, or private sources, in connection with reimbursement of allowable expenses made pursuant to the District's grants and contracts. The District utilizes the allowance method with respect to its accounts receivable based on all accounts receivable with an age greater than four years old in combination with historical collection information. There was not allowance estimated for the year ended June 30, 2022.

Inventory and Prepaids – Inventory consists primarily of bookstore merchandise including, but not limited to, books, instructional materials, and sundry items held for resale to students and staff of the District. Additional inventory exists related to cafeteria operations. Inventory is valued at average cost, which approximates market, using the purchase method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets – Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. Where historical cost is not available, estimated historical cost is based on replacement cost reduced for inflation. Capitalized equipment includes all items with a unit cost of $5,000 or more, and estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year the expense was incurred.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Depreciation of capitalized assets is computed using the straight-line method over the estimated useful lives of the assets; generally, 25 to 50 years for buildings, 20 years for land improvements, and 5 to 15 years for equipment and vehicles.

Fair Value Measurements – The District categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; and level 3 inputs are significant unobservable inputs.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) which will only be recognized as an outflow of resources (expense/expenditures) in the future. District contributions subsequent to the measurement date related to pension plans, are reported as deferred outflows of resources in the government-wide statement of net position. District contributions subsequent to the measurement date will be amortized during the next fiscal year.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and would only be recognized as an inflow of resources (revenue) at that time.

Changes in proportion and differences between District contributions and proportionate share of pension contributions, the District's proportionate share of the net difference between projected and actual earnings on pension plan investments, changes in assumptions, and the differences between the District's expected and actual experience are reported as deferred inflows of resources or deferred outflows of resources in the government-wide statement of net position. These amounts are amortized over the estimated service lives of the pension plan participants.

The District also has a deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Advances from Grantors and Students – Advances include amounts received for tuition, fees, and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Advances also include amounts received from grant and contract sponsors that have not yet been earned.

Amounts Held for Others – Amounts held for others represents funds held by the District for the Associated Students Trust Fund, Scholarship and Loan Trust Fund, and other agency funds.

Compensated Absences – Accumulated and vested unpaid employee vacation benefits are recognized as liabilities of the District as the benefits are earned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken since such benefits do not vest nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

Long-Term Liabilities – Bond premiums are deferred and amortized over the life of the bonds using the straight-line method, which does not differ materially from the effective interest method. Bonds payable are reported net of the applicable bond premium. Bond issuance costs are expensed in the year incurred. Amortization of bond premiums was $63,322 for the year ended June 30, 2022.

Pensions – Deferred outflows of resources/deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the State Teachers' Retirement Plan (STRP) and California Public Employees' Retirement System (CalPERS), and additions to/deductions from STRP's and CalPERS's fiduciary net position have been determined on the same basis as they are reported by California State Teachers' Retirement System (CalSTRS) and CalPERS for purposes of measuring the net pension liability. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable with the benefit terms. Investments are reported at fair value.

Net Position – The District's net position is classified as follows:

> *Net Investment in Capital Assets*: This represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets.
>
> *Restricted Net Position – Nonexpendable*: Consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may be expended or added to the principal depending on donor stipulations.
>
> *Restricted Net Position – Expendable:* Restricted expendable net position represents resources which are legally or contractually obligated to be spent in accordance with restrictions imposed by external third parties.
>
> *Unrestricted Net Position:* Unrestricted net position represents resources derived from student tuition and fees, state apportionments, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District, and may be used at the discretion of the governing board to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District's policy is to first apply the expense toward restricted resources, and then toward unrestricted resources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Classification of Revenues – The District has classified its revenues as either operating or nonoperating, according to the following criteria:

Operating Revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as: (1) student tuition and fees, net of scholarship discounts and allowances; (2) sales and services of auxiliary enterprises; and (3) some federal, state, and local grants contracts and federal appropriations.

Nonoperating Revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources described in GASB Statement No. 34, *Basic Financial Statements – And Management's Discussion and Analysis – For State and Local Governments,* such as state appropriations, financial aid, and investment income.

Scholarship Discounts and Allowances – Student tuition and fee revenue are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net position. Scholarship discounts and allowances represent the difference between stated charges for goods and services provided by the District and the amount that is paid by students and/or third parties making payments on the students' behalf.

State Apportionment – Certain current-year apportionments from the State are based on various financial and statistical information of the previous year, as well as state budgets and other factors outside the District's control. In February, subsequent to the year end, the State performs a recalculation based on actual financial and statistical information for the year just completed. The District's policy is to estimate the recalculation correction to apportionment, if any, based on factors they can reasonably determine such as local property tax revenue received and changes in full time equivalent students. Any additional corrections determined by the State are recorded in the year computed by the State.

Property Taxes – Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent if paid after December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The County of Siskiyou (the County) bills and collects the taxes for the District.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

Budgets and Budgetary Accounting – By state law, the District's governing board must approve a tentative budget no later than July 1, and adopt a final budget no later than September 15 of each year. A hearing must be conducted for public comments prior to adoption. The District's governing board satisfied these requirements.

The budget is revised during the year to incorporate categorical funds that are awarded during the year and miscellaneous changes to the spending plans. The District's governing board approves subsequent revisions to the budget after year end.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

On-Behalf Payments – GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance,* requires that direct on-behalf payments for fringe benefits and salaries made by an entity to a third-party recipient for the employees of another legally separate entity be recognized as revenue and expenses by the employer government. The state of California makes direct on-behalf payments for retirement benefits to the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) on behalf of all community college districts in California. The amount reported in the basic financial statements as of June 30, 2022, was $480,906.

DISCRETELY PRESENTED COMPONENT UNIT – FOUNDATION

Organization – The purpose of the Foundation is to accumulate funds to award scholarships to assist students while attending the District, and for designated projects. A substantial portion of the Foundation's revenue is from community donations, including direct donations and sales from the Eagle's Nest.

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting.

Basis of Presentation – Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

> *Net assets without donor restrictions* are those resources that are currently available for operations.
>
> *Net assets with donor restrictions* are those resources which are stipulated by donors for various scholarships or other programmatic uses.

Cash and Cash Equivalents – For purpose of the statement of cash flows, the Foundation considers all short-term securities purchased with a maturity of three months or less to be cash equivalents.

Investments – Investments are recorded at fair value based on quoted market values. The art collection and gem investments held by the Foundation are carried at the appraised value at the time of donation and reduced for any permanent declines in market value.

Fair Value Measurements – The Foundation accounts for certain assets and liabilities in accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, which establishes a framework for measuring fair value under generally accepted accounting principles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

The Foundation classifies its fair value assets and liabilities into a hierarchy of three levels based on the markets in which they are traded and the reliability of the assumptions used to determine fair value. The asset or liability measurement level within the hierarchy is based on the lowest level of any assumption that is significant to the measurement.

Valuations within the hierarchy levels are based upon the following:

Level 1: Quoted market prices for identical instruments traded in active exchange markets.

Level 2: Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable or can be corroborated by observable market data.

Level 3: Model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect the Foundation's estimates of assumptions that market participants would use on pricing the asset or liability. Valuation techniques include management's judgment and estimation, which may be significant.

Endowment Investment and Spending Policies – The Foundation's endowment consists of approximately 40 individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Trustees to function as endowments. As required by generally accepted accounting principles, net position associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net position (nonexpendable net position): (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net position is classified as temporarily restricted net position (expendable net position) until those amounts are appropriated for spending by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the institution and the endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Investment Return Objectives, Risk Parameters, and Strategies: The Foundation has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, which is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 4% to 7% of the Foundation's scholarship endowments, while growing the funds, if possible. Therefore, the Foundation expects its endowment assets, over time, to produce an average rate of return of 4% to 7% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy: The Foundation has a policy of appropriating for distribution each year 4% to 7% of its endowment fund's fair market value as of the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, and the possible effects of inflation. The Foundation expects the current spending policy to allow its endowment funds to grow at a nominal annual rate, which is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

Contributions – Contributions, including unconditional promises to give, are recorded when made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are due in the next year are recorded at their net realizable value. Unconditional promises to give that are due in subsequent years are reported at their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

Recognition of Donor-Restricted Contributions – Donor-restricted support is reported as an increase in temporarily or permanently restricted net position depending on the nature of the restriction. When a restriction expires, temporarily restricted net position is reclassified to unrestricted net position. However, contributions that are restricted by the donor are reported as increases in unrestricted net position if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

Donated Services – Donated services are recognized as contributions in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 958-605, *Not-for-Profit Entities – Revenue Recognition*, if the services: (a) create or enhance nonfinancial assets, or (b) require specialized skills, performed by people with those skills, and would otherwise be purchased by the Foundation.

The Foundation receives donated administrative services from the District. The value of these services was estimated at $70,077 for the year ended June 30, 2022.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Volunteers also provided their time and performed a variety of tasks that assisted the Foundation with the thrift shop and other program services. These services did not meet the above requirement for recognition in these financial statements and, accordingly, have not been valued or recorded.

Income Taxes – The Foundation operates under Section 501(c)(3) of the *Internal Revenue Code* and 23701(d) of the *California Revenue and Taxation Code* and is exempt from federal and state income taxes. Accordingly, no provision for income taxes is included in the financial statements. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in the Foundation's financial statements in accordance with FASB ASC 740, and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return. FASB ASC 740-10 also provides guidance on derecognition and measurement of a tax position taken, or expected to be taken, in a tax return. The Foundation files income tax returns in the U.S. federal jurisdiction, and the state of California.

The Foundation's federal income tax returns for tax years 2013 and beyond remain subject to examination by the Internal Revenue Service. The Foundation's California income tax returns for tax years 2012 and beyond remain subject to examination by the Franchise Tax Board.

The Foundation did not have unrecognized tax benefits as of June 30, 2022, and does not expect this to change significantly over the next 12 months. In connection with the adoption of FASB ASC 740-10, the Foundation will recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. As of June 30, 2022, the Foundation did not accrue interest or penalties related to uncertain tax positions.

NOTE 2 - CASH AND INVESTMENTS

The following is a summary of cash and investments:

	District	Foundation
Cash and cash equivalents - current	$ 16,119,519	$ 455,406
Restricted cash and cash equivalents - noncurrent	10,268,046	-
Investments	-	3,794,251
Total Deposits and Investments	$ 26,387,565	$ 4,249,657

NOTE 2 - CASH AND INVESTMENTS, continued

DEPOSITS

The carrying amount of the District’s and Foundation’s deposits is summarized as follows:

	District	Foundation
Cash in county treasury	$ 24,977,880	$ 455,206
Cash in banks	1,409,685	-
Cash on hand	-	200
Totals	$ 26,387,565	$ 455,406

As provided for by *California Education Code*, Section 41001, a significant portion of the District's cash balances of most funds is deposited with the Siskiyou County Treasurer for the purpose of increasing interest earned through County investment activities. The County Treasury’s Pooled Money Investment account’s weighted average maturity was 1.67 years at June 30, 2022. As of June 30, 2022, the fair value of the County pool was 95.69% of the carrying value and is deemed to not represent a material difference. The pooled treasury has regulatory oversight by the Siskiyou County Treasury Oversight Committee in accordance with *California Government Code* requirements. The District is considered to be an involuntary participant in the external investment pool. Copies of the County’s audited financial statements can be obtained from the Siskiyou County Auditor-Controller’s Office, 311 Fourth Street, Yreka, California 96097.

Investments

Under provision of the District’s investment policy, and in accordance with Sections 53601 and 53602 of the *California Government Code*, the District may invest in the following types of investments:

- State of California issues
- Local Agency Investment Fund (state pool) deposits
- County Treasurer
- U.S. Treasury Bonds with less than a five-year maturity
- Time Certificates of Deposit limited to $100,000 per financial institution (institution must be insured by FSLIC and/or FDIC, licensed by the state of California and/or the federal government, and located within the state of California)

The investment policy of the Foundation allows for investment in a variety of mutual funds and debt securities. As it relates to the gem and art collection, the Foundation intends to retain these as investments and sell the items on an as-needed basis.

NOTE 2 - CASH AND INVESTMENTS, continued

Investments consisted of the following:

	District	Foundation
Mutual funds and debt securities	$ -	$ 3,761,716
Art and gems	-	32,535
Totals	$ -	$ 3,794,251

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. *California Government Code*, Section 53601, limits investments to maturities of five years. The District and Foundation investment policies are to hold investments to call or maturity to further mitigate interest rate risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. This is measured by ratings assigned by nationally recognized organizations. The District and Foundation investment policies address credit risk by limiting their investment types as noted above to investments authorized by *California Government Code*. The investment in the county investment pool is unrated.

Concentration of Credit Risk

Concentration risk is defined as positions of 5% or more in the securities of a single issuer. The District and Foundation investment policies allow investments in a single issuer greater than 5%.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., financial institution, broker-dealer), the District's deposits may not be redeemed. For deposits, the *California Government Code* requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110% of an entity's deposits. California law also allows financial institutions to secure an entity's deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. For investments, the District and Foundation do not have policies to address this risk.

All cash held by financial institutions is collateralized by securities that are held by the broker or dealer, or by its trust department or agent, but not in the District's name. In addition, $250,000 of the bank balances (per institution) at June 30, 2022, are insured.

NOTE 2 - CASH AND INVESTMENTS, continued

Fair Value Measurements

The District's investment in the County treasurer's investment pool is measured at fair value. At June 30, 2022, the County treasurer's pool of $24,977,880 is valued using quoted prices for similar instruments in active market and quoted prices for identical or similar instruments in markets that are not active (level 2 inputs).

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following:

	District	Foundation
Federal	$ 138,305	$ -
State	333,269	-
Local	3,066,798	(35,215)
Auxiliary enterprise sales and charges - net	149,134	-
Investment income	48,108	1,135
Totals	$ 3,735,614	$ (34,080)

NOTE 4 - CAPITAL ASSETS

Capital asset activity consists of the following:

	Beginning Balance July 1, 2021	Additions	Deductions	Ending Balance June 30, 2022
Capital assets not being depreciated				
Land	$ 199,350	$ -	$ -	$ 199,350
Construction in progress	1,211,267	585,010	1,288,723	507,554
Total capital assets not being depreciated	1,410,617	585,010	1,288,723	706,904
Capital assets being depreciated				
Improvements	13,087,348	875,305	-	13,962,653
Buildings	40,101,766	957,690	-	41,059,456
Vehicles	401,106	144,263	-	545,369
Equipment	9,667,628	831,640	-	10,499,268
Total capital assets being depreciated	63,257,848	2,808,898	-	66,066,746
Total capital assets	64,668,465	3,393,908	1,288,723	66,773,650
Less: accumulated depreciation	27,357,451	2,126,980	-	29,484,431
Net Capital Assets	$ 37,311,014	$ 1,266,928	$ 1,288,723	$ 37,289,219

Depreciation expense for the year was $2,126,980.

NOTE 5 – ACCOUNTS PAYABLE

Accounts payable consisted of the following:

	District	Foundation
Accrued payroll and related liabilities	$ 2,269,456	$ 6,125
Interest payable	212,320	-
Other	2,108,708	41,859
Totals	$ 4,590,484	$ 47,984

NOTE 6 - LONG TERM LIABILITIES

The long-term liabilities activity is as follows:

	Balance July 1, 2021	Additions/ Accretions	Reductions	Balance June 30, 2022	Current Portion
Long-Term Debt					
General obligation bonds:					
Measure A:					
Series B and C	$ 16,475,688	$ 884,100	$ 85,000	$ 17,274,788	$ 80,000
Series A Refunding	12,015,000	-	730,000	11,285,000	820,000
Premiums on general obligation bonds	825,907	-	63,323	762,584	63,322
Lease purchase agreement	3,286,224	-	253,486	3,032,738	261,688
Total long-term debt	32,602,819	884,100	1,131,809	32,355,110	1,225,010
Other long-term liabilities:					
Compensated absences	420,882	-	77,507	343,375	257,531
Net pension liability	19,792,395	-	8,889,607	10,902,788	-
Net OPEB liability	5,087,535	-	302,124	4,785,411	-
Total other long-term liabilities	25,300,812	-	9,269,238	16,031,574	257,531
Total long-term liabilities	$ 57,903,631	$ 884,100	$ 10,401,047	$ 48,386,684	$ 1,482,541

NOTE 6 - LONG TERM LIABILITIES, continued

The 2005 General Obligation Bonds, Series A, were issued in May 2006 in the original amount of $14,997,976, and include both current-interest bonds and capital appreciation bonds. The bonds are for the purpose of financing the acquisition, construction, modernization, and renovation of the District facilities. The bonds are payable solely from the proceeds of ad valorem taxes. The bonds were partially refinanced and the remaining bonds mature in 2021. The interest rate ranges from 4% to 5%.

The final payment of $265,000 was made on August 1, 2020.

The 2005 General Obligation Bonds, Series B and C, were issued in April 2008 in the original amount of $9,998,688 and include both current-interest bonds and capital appreciation bonds. The bonds are for the purpose of financing the acquisition, construction, modernization and renovation of District facilities. The bonds are payable solely from the proceeds of ad valorem taxes. The Final maturity of all bonds is in August 2047. The interest rate ranges from 3% to 6%.

Debt service requirements to maturity – The 2005 Series B and C General Obligation Bonds matures through August 1, 2047 as follows:

Fiscal Year	Principal	Interest	Accreted Interest	Total
2023	$ 80,000	$ 146,000	$ -	$ 226,000
2024	80,000	142,125	-	222,125
2025	75,000	138,500	-	213,500
2026	70,000	135,125	-	205,125
2027	65,000	132,125	-	197,125
2028-2032	560,300	636,375	1,554,700	2,751,375
2033-2037	1,682,205	632,500	9,307,795	11,622,500
2038-2042	4,198,810	63,250	9,286,190	13,548,250
2043-2047	1,839,558	-	14,400,442	16,240,000
2048	337,815	-	3,247,185	3,585,000
Accreted Interest	8,286,100	-	(8,286,100)	-
Total	$ 17,274,788	$ 2,026,000	$ 29,510,212	$ 48,811,000

The 2014 General Obligation Refunding Bonds were issued in September 2014 in the original amount of $12,740,000 and includes current-interest bonds. The bonds are for the purpose of financing the acquisition, construction, modernization and renovation of District facilities. The bonds are payable solely from the proceeds of ad valorem taxes. Final maturity of all bonds is in August 2030. The interest rate ranges from 2% to 5%.

NOTE 6 - LONG TERM LIABILITIES, continued

Debt service requirements to maturity – The 2014 General Obligation Refunding Bonds matures through August 1, 2030 as follows:

Fiscal Year	Principal	Interest	Total
2023	$ 820,000	$ 394,800	$ 1,214,800
2024	910,000	355,650	1,265,650
2025	1,020,000	315,038	1,335,038
2026	1,120,000	269,175	1,389,175
2027	1,240,000	216,375	1,456,375
2028-2031	6,175,000	408,863	6,583,863
Total	$ 11,285,000	$ 1,959,901	$ 13,244,901

The District leases equipment and other capital assets at a cost of $4,000,000 under agreements which provide for title to pass upon expiration of the lease period. The amount of interest costs incurred during the year ended June 30, 2022, was $425,800 all of which was charged to expenses. Amortization under capital leases has been included with depreciation expense in the statement of revenue, expenses, and changes in net position.

Future minimum lease payments for capital leases are as follows:

Fiscal Year	Lease Payments
2023	$ 356,956
2024	356,955
2025	356,955
2026	356,956
2027	356,955
2028-2032	1,784,779
Total	3,569,556
Less: Amount representing interest	536,818
Present Value of Net Minimum Lease Payments	$ 3,032,738

NOTE 7 - NET PENSION LIABILITY

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are member of the California State Teachers' Retirement System (CalSTRS), and Classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	$ 3,402,827	$ 1,287,684	$ 4,158,682	$ (183,532)
CalPERS	7,499,961	1,543,909	3,592,782	731,750
Total	$ 10,902,788	$ 2,831,593	$ 7,751,464	$ 548,218

Pension Plans – California Public Employees' Retirement System (CalPERS)

General Information about the Pension Plan

Plan Description – Qualified employees are eligible to participate in the School Employer Pool (SEP) under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020 annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

NOTE 7 - NET PENSION LIABILITY, continued

Pension Plans – California Public Employees' Retirement System (CalPERS), continued

General Information about the Pension Plan, continued

The CalPERS provisions and benefits in effect at June 30, 2022, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.000%	7.000%
Required employer contribution rate	22.91%	22.91%

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the total District contributions were $1,276,066.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to CalPERS

As of June 30, 2022, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $7,499,961. The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, respectively was 0.037 percent and 0.039 percent, resulting in a net decrease in the proportionate share of 0.002 percent.

NOTE 7 - NET PENSION LIABILITY, continued

Pension Plans – California Public Employees' Retirement System (CalPERS), continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to CalPERS, continued

For the year ended June 30, 2022, the District recognized pension expense of $731,750. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ -	$ 2,878,262
Differences between expected and actual experience	223,893	17,679
Changes in assumptions	-	-
Net changes in proportionate share of net pension liability	43,950	696,841
District contributions subsequent to the measurement date	1,276,066	-
Total	$ 1,543,909	$ 3,592,782

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to pensions will be recognized as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (758,671)
2024	(797,370)
2025	(874,842)
2026	(894,056)
Total	$ (3,324,939)

Actuarial assumptions. For the measurement period ended June 30, 2021 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2020 total pension liability. The June 30, 2021 and the June 30, 2020 total pension liabilities were based on the following actuarial methods and assumptions:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 1997, through June 30, 2015
Actuarial cost method	Entry Age Normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

NOTE 7 - NET PENSION LIABILITY, continued

Pension Plans – California Public Employees' Retirement System (CalPERS), continued

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include five years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses:

Asset Class*	Assumed Asset Allocation	Real Return Years 1 - 10**	Real Return Years 11+***
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
	100%		

*In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
**An expected inflation of 2.0% used for this period
***An expected inflation of 2.92% used for this period

Discount Rate - The discount rate used to measure the total pension liability was 7.15 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS' website.

NOTE 7 - NET PENSION LIABILITY, continued

Pension Plans – California Public Employees' Retirement System (CalPERS), continued

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is in the following table:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Plan's net pension liability	$ 12,645,988	$ 7,499,961	$ 3,227,655

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS CAFR at https://www.calpers.ca.gov.

Pension Plans – California State Teachers' Retirement System (CalSTRS)

General Information about the Pension Plan

Plan Description – The District contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2019, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided - The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and nonemployer contributing entity to the STRP.

NOTE 7 - NET PENSION LIABILITY, continued

Pension Plans – California State Teachers' Retirement System (CalSTRS), continued

General Information about the Pension Plan, continued

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans. The STRP provision and benefits in effect as June 30, 2022 are summarized as follows:

	STRP Defined Benefit Plan	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	16.92%	16.92%
Required state contribution rate	10.828%	10.828%

*The rate imposed on CalSTRS 2% at 62 members assuming no change in the normal cost of benefits.

Contributions - Required member, District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the District's total contributions were $797,176.

On-Behalf Payments - The District was the recipient of on-behalf payments made by the State of California to CalSTRS for community college education. These payments consist of state general fund contributions of approximately $480,906 to CalSTRS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to CalSTRS

At June 30, 2022, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	$	3,402,827
State's proportionate share of the net pension liability associated with the District		1,712,206
Total	$	5,115,033

NOTE 7 - NET PENSION LIABILITY, continued

Pension Plans – California State Teachers' Retirement System (CalSTRS), continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to CalSTRS, continued

The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2020, respectively, was 0.007 percent and 0.008 percent, resulting in net decrease of .001 in the proportionate share.

For the year ended June 30, 2022, the District recognized pension expense of ($183,532). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ -	$ 2,691,917
Differences between expected and actual experience	8,524	362,206
Changes in assumptions	481,984	-
Net changes in proportionate share of net pension liability	-	1,104,559
District contributions subsequent to the measurement date	797,176	-
Total	$ 1,287,684	$ 4,158,682

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to pensions will be recognized as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (935,512)
2024	(830,569)
2025	(880,526)
2026	(950,296)
2027	(35,283)
Thereafter	(35,988)
Total	$ (3,668,174)

NOTE 7 - NET PENSION LIABILITY, continued

Pension Plans – California State Teachers' Retirement System (CalSTRS), continued

Actuarial Assumptions

The total pension liability for the STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 2015, through June 30, 2018
Actuarial cost method	Entry Age Normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant. Based on the model for CalSTRS consulting actuary's investment practice, a best estimate range was determined by assuming the portfolio is re-balanced annually and that the annual returns are lognormally distributed and independent from year to year to develop expected percentiles for the long-term distribution of annualized returns. The assumed asset allocation is based on Teachers' Retirement Board of the California State Teachers' Retirement System (board) policy for target asset allocation in effect for February 2017 the date the current experience study was approved by the board.

Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table**:**

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return*
Public Equity	42%	4.80%
Real Estate	15%	3.60%
Private Equity	13%	6.30%
Fixed Income	12%	1.30%
Risk Mitigating Strategies	10%	1.80%
Inflation Sensitive	6%	3.30%
Cash/Liquidity	2%	-0.40%
	100%	

*20-year geometric average

NOTE 7 - NET PENSION LIABILITY, continued

Pension Plans – California State Teachers' Retirement System (CalSTRS), continued

Discount rate - The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increase per Assembly Bill 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10% percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	$ 6,926,937	$ 3,402,827	$ 477,882

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS CAFR at http://www.calstrs.com/comprehensive-annual-financial-report.

NOTE 8 – STATE AND FEDERAL ALLOWANCES, AWARDS, AND GRANTS

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expense disallowance under terms of the grants, management believes that any required reimbursements will not be material.

NOTE 9 – RISK MANAGEMENT

The District is a member of the Northern California Community Colleges Self-Insurance Authority (the Authority). The Authority is a member of the Statewide Association of Community Colleges Joint Powers Authority (SWACC). The Authority provides for a risk-sharing plan whereby the member districts share in the claims costs as well as the administrative costs of providing property and liability coverages. Financial statements are available from the Authority upon request.

NOTE 9 – RISK MANAGEMENT, continued

Coverage includes property, liability, and workers' compensation insurance. Liability losses in excess of the District's $1,000 retention amount are covered through the SWACC up to $25,000,000 per occurrence. Property losses in excess of the District's $1,000 retention amount are covered up to the District's total insurable values. Workers' compensation losses are fully insured. There has been no significant reduction in any of the insurance coverages from the prior year. Settled claims resulting from these programs have not exceeded insurance coverage in any of the past three fiscal years.

The District is fully insured for its medical and prescription insurance coverage for all eligible employees through California Valued Trust. Employees can select from a number of plans to best fit their needs.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Siskiyou Joint Community College District Post-Retirement Health Benefits Plan (the Plan) is a single-employer OPEB plan administered by the District. All full-time employees with 20 or more years of service are eligible to receive District-paid medical benefits from the date of retirement for the remainder of their lives according to the following criteria:

1. Administrators, academic, and administrative support management employees hired prior to July 1, 1992, and

2. Classified employees hired prior to December 1, 1992.

Board members elected between January 1, 1981, and January 1, 1995, with 20 or more years of service are eligible to receive District-paid medical benefits from the date of retirement for the remainder of their lives.

The District pays 100% of the eligible retirees' medical plan premiums.

The following is a description of the current retiree benefit plan:

	Faculty	Classified	Administrators and Board	Confidential and Supervisors
Benefit types provided	Medical only	Medical only	Medical only	Medical only
Duration of Benefits	Lifetime	Lifetime	Lifetime	Lifetime
Required Service	20 years	20 years	20 years	20 years
Minimum Age	55	55	55	55
Dependent Coverage	No	No	No	No
College Contribution %	100%	100%	100%	100%
College Cap	None	None	None	None

*Retirees with at least 10 but less than 20 years of service qualify for District-paid benefits to age 65

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS, continued

Funding Policy

The contribution requirements are established and may be amended by the District and the District's bargaining units. The required contribution is based on projected pay-as-you-go financing requirements with an additional amount to prefund benefits as determined annually. Additionally, the District has established an irrevocable trust (the "Trust") with U.S. Bank through the Retiree Health Benefit Program Joint Powers Authority to prefund a portion of the retiree health benefit costs. For the year ended June 30, 2022, the District contributed $427,507 to the Plan.

Employees Covered by Benefit Term

The following is a table of plan participants at the June 30, 2021 measurement date:

	Number of Participants
Inactive Employees/Dependents Receiving Benefits	75
Active Employees	3
	78

Contributions to Trust

Eligible employees are not permitted to make contributions to the Trust. The Plan administrator (CalPERS) shall, on behalf of the employer (District), make all contribution to the Trustee. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of the trust agreement. The District does not have contractually required contributions rates, but contributes in an amount sufficient to fully fund the total OPEB obligation over a period not to exceed 30 years. The District has a net OPEB liability of $4,785,411 as of June 30, 2022.

OPEB Plan Investments

The plan discount rate of 5.50% was determined using the following asset allocation and assumed rate of return:

Asset Class	Percentage of Portfolio	Assumed Gross Return
U.S. Large Cap	29%	7.55%
U.S. Small Cap	13%	7.55%
All Foreign Stock	9%	7.55%
Other Fixed Income	49%	3.00%
Total	100%	

Rolling periods of time for all asset classes in combination to appropriately reflect correlation between asset classes. That means that the average returns for any asset class don't necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Geometric means were used.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS, continued

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2021
Measurement date	June 30, 2021
Fiscal year	July 1st to June 30th
Actuarial cost methods	Entry age normal cost method
Inflation rate	2.50%
Investment rate of return	5.50%
Discount rate	5.50%
Health care cost trend rate	4.00%
Payroll increase	2.75%
Mortality	For certificated employees the 2020 CalSTRS mortality tables were used. For classified employees the 2017 CalPERS active mortality for miscellaneous and schools employees were used.

Changes in the Net OPEB Liability

	Increase/(Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance July 1, 2020	$ 7,161,571	$ 2,074,036	$ 5,087,535
Changes for the year:			
Service cost	29,521	-	29,521
Interest	366,787	-	366,787
Employer contributions	-	511,629	(511,629)
Experience gains/losses	12,192		12,192
Expected Investment income	-	365,146	(365,146)
Administrative expense	-	(3,158)	3,158
Expected benefit payments	(511,629)	(511,629)	-
Net change	59,864	361,988	(302,124)
Balance June 30, 2021	$ 7,221,435	$ 2,436,024	$ 4,785,411

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS, continued

Sensitivity of the net pension liability to assumptions

The following presents the net OPEB liability calculated using the discount rate of 5.50 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (4.50 percent) and 1 percent higher (6.50 percent):

	Discount Rate 1% Lower (4.50%)	Current Discount Rate (5.50%)	Discount Rate 1% Higher (6.50%)
Net OPEB liability	$ 5,469,304	$ 4,785,411	$ 4,201,464

The following table presents the net OPEB liability calculated using the heath care cost trend rate of 4.0 percent. The schedule also shows what the net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percent lower (3.0 percent) and 1 percent higher (5.0 percent):

	Healthcare Cost Trend Rates 1% Lower (3.00%)	Healthcare Cost Trend Rates Current Rate (4.00%)	Healthcare Cost Trend Rates 1% Higher (5.00%)
Net OPEB liability	$ 4,182,089	$ 4,785,411	$ 5,482,417

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the District recognized OPEB expense of $(130,823). At June 30, 2022, the District reported no deferred outflows of resources and deferred inflows of resources related to differences between projected and actual earnings of $189,183.

NOTE 11 – BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUSTS – FOUNDATION

Charitable remainder trusts provide for the payment of distributions to designated beneficiaries over the trusts' terms. At the end of the trusts' terms, the remaining assets are available for the beneficiaries' use, subject to donor-imposed restrictions. Assets held in charitable remainder trusts are reported at fair value in the Foundation's statement of financial position. Changes in fair value of charitable remainder trusts are reflected as changes in temporarily restricted net assets in the Foundation's statement of activities.

The Foundation has been named as the irrevocable remainder beneficiary of one charitable remainder trusts (the trust is administered by a third party). At June 30, 2022, the present value of the future benefits was calculated using a discount rate of 2.0%, estimated rate of return of 2.0%, and applicable mortality tables. Assets held in the charitable remainder trust at June 30, 2022, totaled $51,773 and are reported at fair value in the Foundation's statement of financial position.

NOTE 12 – INVESTMENT INCOME – FOUNDATION

A summary of return investments consisted of the following:

Dividends and capital gains	$ 175,275
Change in value of charitable remainder trusts	(12,312)
Net realized and unrealized gain (losses)	(748,338)
Total Investment Income (Expense)	$ (585,375)

NOTE 13 – SPECIAL EVENTS – FOUNDATION

For the year ended June 30, 2022, the Foundation did not have any special events.

NOTE 14 – NET ASSETS WITH DONOR RESTRICTIONS – FOUNDATION

Net assets with donor restrictions are available for the following purpose:

Scholarships	$ 1,325,848
Title III	2,010,306
Beneficial interest in charitable remainder trusts	51,773
Mercy medical	158,661
Forest CRT	93,329
Goodman	52,150
Total	$ 3,692,067

NOTE 15 – ENDOWMENTS – FOUNDATION

Endowment composition by type of fund is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Net Endowment Asset
Donor Restricted Endowment Funds			
Scholarships	$ 24,074	$ 1,301,774	$ 1,325,848
Title III	-	2,010,306	2,010,306
Mercy medical	-	158,661	158,661
Forest CRT	93,329	-	93,329
Goodman	-	52,150	52,150
Total Endowment Funds	$ 117,403	$ 3,522,891	$ 3,640,294
Endowment Assets- Beginning of Year	$ 129,656	$ 4,026,249	4,155,905
Contributions	-	60,000	60,000
Investment income	-	55,835	55,835
Net unrealized gain	(11,717)	(509,339)	(521,056)
Amounts appropriated for expenditures	(536)	(109,854)	(110,390)
Endowment Assets - End of Year	$ 117,403	$ 3,522,891	$ 3,640,294

Scholarship endowment funds consist of donor restricted contributions received for various scholarship programs. Earnings on these endowments are used for the payment of scholarships under the various programs. Donor-restricted Title III endowment funds are federal grant receipts (and matching contributions) which are to be held for a period of 20 years. Earnings on these funds are to be spent on maintenance of the Rural Health Science Institute. At the end of the 20-year period, the grant proceeds and matching contributions are available to be used to pay various Rural Health Science Institute related expenses.

NOTE 16 – FAIR VALUE MEASUREMENTS – FOUNDATION

Fair values of assets measured on a recurring basis are as follows:

	Level 1	Level 2	Level 3	Total
Fixed Income Securities:				
Cash reserves	$ 126,204	$ -	$ -	$ 126,204
Mutual Funds:				
Stock funds	530,413	-	-	530,413
Bond Funds	752,190	-	-	752,190
Total Mutual Funds	1,282,603	-	-	1,282,603
Exchange Traded Products:				
Equity	1,916,257	-	-	1,916,257
Fixed income	350,736	-	-	350,736
Other	85,916	-	-	85,916
Total Exchange Traded Products	2,352,909	-	-	2,352,909
Beneficiary interest in charitable remainder trust	-	-	51,773	51,773
Total	$ 3,761,716	$ -	$ 51,773	$ 3,813,489

NOTE 16 – FAIR VALUE MEASUREMENTS – FOUNDATION, continued

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

Beginning of Year - July 1, 2021	$	64,085
Total gains or losses (realized/unrealized)		(12,312)
End of Year - June 30, 2022	$	51,773

NOTE 17 – IMPACT OF RECENTLY ISSUED ACCOUNTING STANDARDS

New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the District.

GASB Statement No. 87 – Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement is effective for periods beginning after June 15, 2021. The District has implemented GASB Statement No. 87 for the year ending June 30, 2022.

Foundation

In February 2016, FASB issued ASU 2016-02, Leases (ASU 2016-02). ASU 2016-02 requires a lessee to recognize a lease asset representing its right to use the underlying asset for the lease term, and a lease liability for the payments to be made to lessor, on its statement of financial position for all operating leases greater than 12 months. ASU 2016-02 will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2021. Although the full impact of ASU 2016-02 on the Foundation's financial statements has not yet been determined, the future adoption of this guidance will require the Foundation to record assets and liabilities on its statement of financial position relating to facility and other leases currently being accounted for as operating leases.

NOTE 18 - COMMITMENTS AND CONTINGENCIES

Contingent Liabilities

The District is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

NOTE 19 – SUBSEQUENT EVENTS

The District evaluated subsequent events from June 30, 2022 through August 8, 2023, the date the financial statements were issued. The District concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	$ 29,521	$ 28,731	$ 48,529	$ 47,230	$ 45,966
Interest on Total OPEB Liability	366,787	372,296	415,502	416,249	416,229
Experience gains/losses	12,192	6,342	(302,293)	-	-
Changes of assumptions	162,993	-	437,603	-	-
Benefit payments	(511,629)	(505,429)	(480,941)	(472,217)	(454,055)
Net change in total OPEB liability	59,864	(98,060)	118,400	(8,738)	8,140
Total OPEB liability, beginning of year	7,161,571	7,259,631	7,141,231	7,149,969	7,141,829
Total OPEB liability, end of year (a)	$ 7,221,435	$ 7,161,571	$ 7,259,631	$ 7,141,231	$ 7,149,969
Plan fiduciary net position					
Employer contributions	$ 511,629	$ 505,429	$ 480,941	$ 542,217	$ 699,055
Investment income	365,146	74,809	113,357	104,260	129,539
Investment gains/losses	-	-	1,303	15,826	-
Administrative expense	(3,158)	(3,342)	(2,758)	(499)	(500)
Expected benefit payments	(511,629)	(505,429)	(480,941)	(472,217)	(454,055)
Other	-	-	-	(1,832)	-
Change in plan fiduciary net position	361,988	71,467	111,902	187,755	374,039
Fiduciary trust net position, beginning of year	2,074,036	2,002,569	1,890,667	1,702,912	1,328,073
Fiduciary trust net position, end of year (b)	$ 2,436,024	$ 2,074,036	$ 2,002,569	$ 1,890,667	$ 1,702,112
Net OPEB liability, ending (a) - (b)	$ 4,785,411	$ 5,087,535	$ 5,257,062	$ 5,250,564	$ 5,447,857
Covered payroll	$ 689,439	$ 689,439	$ 671,057	$ 900,940	$ 1,285,309
Plan fiduciary net position as a percentage of the total OPEB liability	34%	29%	28%	26%	24%
Net OPEB liability as a percentage of covered payroll	694%	738%	783%	583%	424%

Note: In the future, as data becomes available, ten years of information will be presented.

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - OPEB
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
Actuarially determined contribution	$ 584,226	$ 499,087	$ 499,087	$ 480,941	$ 472,217
Contributions in relations to the actuarially determined contribution	427,507	507,106	468,529	466,021	525,763
Contribution deficiency (excess)	$ 77,120	$ (8,019)	$ 30,558	$ 14,920	$ (53,546)
Covered-employee payroll	$ 689,439	$ 689,439	$ 671,057	$ 900,940	$ 1,285,309
Contribution as a percentage of covered-employee payroll	62.01%	73.55%	69.82%	51.73%	40.91%

Note: In the future, as data becomes available, ten years of information will be presented.

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2022

	Reporting Fiscal Year (Measurement Date)			
CalSTRS	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
District's proportion of the net pension liability	0.007%	0.008%	0.008%	0.010%
District's proportionate share of the net pension liability	$ 3,402,827	$ 7,966,675	$ 7,611,945	$ 8,813,307
State's proportionate share of the net pension liability associated with the District	1,712,206	4,106,788	4,152,858	5,046,274
Total	$ 5,115,033	$ 12,073,463	$ 11,764,803	$ 13,859,581
District's covered-employee payroll	$ 4,049,759	$ 4,657,936	$ 4,393,309	$ 4,764,115
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	84%	171%	173%	175%
Plan fiduciary net position as a percentage of the total pension liability	87%	72%	73%	71%

	Reporting Fiscal Year (Measurement Date)			
CalPERS	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
District's proportion of the net pension liability	0.037%	0.039%	0.040%	0.042%
District's proportionate share of the net pension liability	$ 7,499,961	$ 11,825,720	$ 11,723,135	$ 11,077,227
District's covered-employee payroll	$ 5,307,961	$ 5,547,310	$ 5,547,310	$ 5,508,925
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	141%	213%	211%	182%
Plan fiduciary net position as a percentage of the total pension liability	81%	70%	70%	71%

Note: In the future, as data becomes available, ten years of information will be presented.

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2022

	Reporting Fiscal Year (Measurement Date)			
CalSTRS	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	0.0100%	0.0090%	0.0100%	0.0100%
District's proportionate share of the net pension liability	$ 8,797,789	$ 7,333,140	$ 6,014,982	$ 5,440,880
State's proportionate share of the net pension liability associated with the District	5,204,740	4,175,241	2,328,939	2,200,153
Total	$ 14,002,529	$ 11,508,381	$ 8,343,921	$ 7,641,033
District's covered-employee payroll	$ 5,022,613	$ 5,052,496	$ 4,619,680	$ 4,660,169
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	175%	145%	130%	117%
Plan fiduciary net position as a percentage of the total pension liability	69%	70%	77%	77%

	Reporting Fiscal Year (Measurement Date)			
CalPERS	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	0.0390%	0.0340%	0.0320%	0.0290%
District's proportionate share of the net pension liability	$ 9,246,076	$ 6,711,837	$ 5,141,432	$ 3,256,519
District's covered-employee payroll	$ 5,433,967	$ 4,920,598	$ 4,075,007	$ 3,575,983
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	152%	136%	126%	91%
Plan fiduciary net position as a percentage of the total pension liability	72%	74%	84%	84%

Note: In the future, as data becomes available, ten years of information will be presented.

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSIONS
FOR THE YEAR ENDED JUNE 30, 2022

	Reporting Fiscal Year			
CalSTRS	2022	2021	2020	2019
Statutorily required contribution	$ 797,176	$ 654,036	$ 796,507	$ 775,598
District's contributions in relation to the statutorily required contribution	797,176	654,036	796,507	775,598
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 4,711,442	$ 4,049,759	$ 4,657,936	$ 4,764,115
District's contributions as a percentage of covered-employee payroll	16.92%	16.15%	17.10%	16.28%

	Reporting Fiscal Year			
CalPERS	2022	2021	2020	2019
Statutorily required contribution	$ 1,276,066	$ 1,098,748	$ 1,093,985	$ 995,022
District's contributions in relation to the statutorily required contribution	1,276,066	1,098,748	1,093,985	995,022
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 5,569,908	$ 5,307,961	$ 5,547,310	$ 5,508,925
District's contributions as a percentage of covered-employee payroll	22.91%	20.70%	19.72%	18.06%

Note: In the future, as data becomes available, ten years of information will be presented.

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSIONS
FOR THE YEAR ENDED JUNE 30, 2022

	Reporting Fiscal Year			
CalSTRS	2018	2017	2016	2015
Statutorily required contribution	$ 724,763	$ 635,604	$ 494,082	$ 413,219
District's contributions in relation to the statutorily required contribution	724,763	635,604	494,082	413,219
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 5,022,613	$ 5,052,496	$ 4,619,680	$ 4,660,169
District's contributions as a percentage of covered-employee payroll	14.43%	12.58%	10.70%	8.87%

	Reporting Fiscal Year			
CalPERS	2018	2017	2016	2015
Statutorily required contribution	$ 843,895	$ 683,471	$ 482,754	$ 420,932
District's contributions in relation to the statutorily required contribution	843,895	683,471	482,754	420,932
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 5,433,967	$ 4,920,598	$ 4,075,007	$ 3,575,983
District's contributions as a percentage of covered-employee payroll	15.53%	13.89%	11.85%	11.77%

Note: In the future, as data becomes available, ten years of information will be presented.

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Changes in Net OPEB Liability and Related Ratios

The Schedule of Changes in Net OPEB liability is presented to illustrate the elements of the District's Net OPEB liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Contributions - OPEB

The Schedule of the District's Contributions is presented to illustrate the District's actuarial determined contributions relating to the net OPEB liability There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Proportionate Share of the Net Pension Liability

The Schedule of the District's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the District's Net Pension Liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Contributions - Pensions

The Schedule of the District's Contributions is presented to illustrate the District's required contributions relating to the pensions. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Changes of Benefit Terms

There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.

Changes of Assumptions

There were no changes in assumptions since the previous valuations for both CalSTRS and CalPERS.

SUPPLEMENTARY INFORMATION

The District, a political subdivision of the state of California, was established on May 17, 1957. Its territories encompass portions of Siskiyou and Shasta Counties. There were no changes in boundaries during the fiscal year ended June 30, 2022.

The District provides higher education instruction for the first and second years of college education and vocational training.

GOVERNING BOARD

NAME	OFFICE	Area	TERM EXPIRES
Ms. Kathleen Koon	President	V	December 2024
Mrs. Debbie Derby	Vice President	II	December 2026
Mr. Kevin Dalton	Member	I	December 2026
Mr. Barry Ohlund	Member	IV	December 2024
Ms. Carol Cupp	Member	III	December 2026
Mr. Greg Hanna	Member	VI	December 2024
Ms. Erica Mitchell	Member	VII	December 2026

DISTRICT ADMINISTRATION

Dr. Charlene Perlas
Superintendent/President

Dr. Mark Fields
Vice President, Academic Affairs

Patrick Walton
Vice President, Student Services

Christina Van Alfen
Interim Vice President, Administrative Services

AUXILIARY ORGANIZATIONS IN GOOD STANDING

AUXILIARY NAME	DIRECTOR'S NAME/TITLE	ESTABLISHMENT AND MASTER AGREEMENT DATE
College of the Siskiyous Auxiliary Foundation	Dawnie Slabaugh, Director Public Relations & College Foundation	*Organized as an auxiliary organization in 1991-1992 and has a signed master agreement dated November 2, 1993.*

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
HIGHER EDUCATION ACT			
TRIO - Student Support Services	84.042	*	302,503
TRIO - Upward Bound Program	84.047A	*	425,755
Total Higher Education Act			728,258
STUDENT FINANCIAL ASSISTANCE CLUSTER			
Federal Supplement Education Opportunity Grant (FSEOG)	84.007	*	35,400
Federal Direct Student Loans	84.268	*	568,586
Federal Work Study Program (FWS)	84.033	*	38,320
Federal Pell Grants (PELL)	84.063	*	1,716,817
Total Student Financial Assistance Cluster			2,359,123
HIGHER EDUCATION EMERGENCY RELIEF FUNDS			
COVID-19 HEERF Student Aid	84.425E	*	1,471,195
COVID-19 HEERF Institutional Aid	84.425F	*	540,727
COVID-19 HEERF II Institutional Aid	84.425F	*	13,321
Total Higher Education Emergency Relief Funds			2,025,243
CAREER AND TECHNICAL EDUCATION ACT			
Passed through State Department of Education			
Basic Grants to States	84.048	13-112-110	65,376
Total U.S. Department of Education			5,178,000
Total Federal Expenditures			$ 5,178,000

*Pass-Through number is either not available or not applicable

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

	Cash Received	Accounts Receivable	Deferred Income	Total Revenues	Program Expenditures
Prop-20 Lottery Funds	$ 36,232	$ 152,454	$ 109,333	$ 79,353	$ 79,353
Unrestricted Lottery Funds	259,022	139,872	139,872	259,022	398,894
Cal Works	153,474	-	117,078	36,396	36,396
TANF	16,307	15,052	22,168	9,191	9,191
Strong Workforce	610,021	-	(690,289)	1,300,310	1,290,177
Strong Workforce Regional	103,324	5,228	(309,972)	418,524	418,524
Strong Workforce Nursing (12/19-21)	-	-	(13,491)	13,491	13,491
SWF - PIC Accelerated Workforce	28,000	-	26,466	1,534	1,534
Nursing-College Specific (21-22)	355,000	-	355,000	-	-
Enrollment Growth and Retention Grt	90,416	-	1,113	89,303	89,303
CA Conservation Corps (Butte CCD)	25,166	-	-	25,166	25,166
CTE - Adult Education 20-21	-	-	(112,085)	112,085	112,085
Adult Education 21-22	70,367	-	44,686	25,681	25,681
Foster Parent	73,727	13,637	4,648	82,716	82,716
EOPS	467,030	-	154,126	312,904	312,904
CARE	59,989	-	49,932	10,057	10,057
SFAA	110,466	-	57,488	52,978	52,978
Fin Aid Technology Grant	39,859	-	25,380	14,479	14,479
COVID-19 Response Grant (State)	-	-	(75,171)	75,171	75,171
SB 85 - CalFresh Outreach	-	-	(6,141)	6,141	4,141
SB 85 - Retention/Enroll Outreach	351,783	-	336,367	15,416	15,416
Basic Needs Centers (21-22)	159,236	-	159,236	-	-
Student Food/Housing Support (21-22)	174,768	-	174,768	-	-
LGBTQ+ (2021-22)	52,743	-	52,743	-	-
Veterans Resource Center	30,612	-	16,968	13,644	13,644
Student Equity& Achievement SEA	877,508	-	156,327	721,181	721,181
Guided Pathways	50,000	-	14,128	35,872	35,872
CA College Promise (AB19)	114,136	-	(4,800)	118,936	118,936
Mental Health Support	161,661	-	152,684	8,977	8,977
Undocumented Resources Liasion	61,307	-	61,307	-	-
Staff Diversity	50,000	-	5,355	44,645	44,645
EEO Best Practices	208,333	-	208,333	-	-
Cultural Comp Faculty Prof Dev (21-22)	50,434	-	50,434	-	-
DSPS	270,589	-	152,248	118,341	118,341
Total	$ 5,111,510	$ 326,243	$ 1,436,239	$ 4,001,514	$ 4,129,253

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT – ANNUAL/ACTUAL ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2022

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2021 only)			
1. Noncredit	22.54	-	22.54
2. Credit	44.91	-	44.91
B. Summer Intersession (Summer 2022 - Prior to July 1, 2022)			
1. Noncredit	36.40	-	36.40
2. Credit	61.57	-	61.57
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	181.66	-	181.66
(b) Daily Census Contact Hours	178.43	-	178.43
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	142.87	-	142.87
(b) Credit	61.14	-	61.14
3. Alternative Attendance Accounting Procedure Courses			
(a) Weekly Census Contact Hours	394.35	-	394.35
(b) Daily Census Contact Hours	83.55	-	83.55
(c) Noncredit Independent Study/Distance Education Courses	25.60	-	25.60
D. Total FTES	1,233.02	-	1,233.02
Supplemental Information (subset of above information)			
E. In-service Training Courses	29.11	-	29.11
F. Basic Skills Courses and Immigrant Education			
1. Credit	1.07	-	1.07
2. Noncredit	126.73	-	126.73
Total Basic Skills FTES	127.80	-	127.80

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF ECS 84362 (50 PERCENT LAW) CALCULATION
FOR THE YEAR ENDED JUNE 30, 2022

		Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
	Object/ TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Academic Salaries							
Instructional Salaries							
Contract or Regular	1100	$ 2,856,978	$ -	$ 2,856,978	$ 2,856,978	$ -	$ 2,856,978
Other	1300	1,957,140	-	1,957,140	1,957,140	-	1,957,140
Total Instructional Salaries		4,814,118	-	4,814,118	4,814,118	-	4,814,118
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	907,219	-	907,219
Other	1400	-	-	-	23,355	-	23,355
Total Non-Instructional Salaries		-	-	-	930,574	-	930,574
Total Academic Salaries		4,814,118	-	4,814,118	5,744,692	-	5,744,692
Classified Salaries							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	2,748,377	-	2,748,377
Other	2300	-	-	-	65,489	-	65,489
Total Non-Instructional Salaries		-	-	-	2,813,866	-	2,813,866
Instructional Aides							
Regular Status	2200	538,300	-	538,300	538,300	-	538,300
Other	2400	531,044	-	531,044	531,044	-	531,044
Total Instructional Aides		1,069,344	-	1,069,344	1,069,344	-	1,069,344
Total Classsified Salaries		1,069,344	-	1,069,344	3,883,210	-	3,883,210
Employee Benefits	3000	2,422,556	-	2,422,556	4,936,373	-	4,936,373
Supplies and Materials	4000	-	-	-	204,024	-	204,024
Other Operating Expenses	5000	297,666	-	297,666	3,097,819	-	3,097,819
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		8,603,684	-	8,603,684	17,866,118	-	17,866,118
Exclusions							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	220,453	-	220,453	220,453	-	220,453
Std. Health Srvcs. Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	-	-	-
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	211,174	-	211,174
Object to Exclude							
Rents and Leases	5060	-	-	-	460,441	-	460,441
Lottery Expenditures							
Academic Salaries	1000	-	-	-	109,119	-	109,119
Classified Salaries	2000	-	-	-	40,059	-	40,059
Employee Benefits	3000	-	-	-	83,968	-	83,968
Supplies and Materials	4000						
Software	4100	-	-	-	-	-	-
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	-	-	-
Non-inst. Supplies & Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other Operating Expenses and Services	5000	-	-	-	25,876	-	25,876
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400						
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		$ 220,453	$ -	$ 220,453	$ 1,151,090	$ -	$ 1,151,090
Total for ECS 84362, 50% Law		$ 8,383,231	$ -	$ 8,383,231	$ 16,715,028	$ -	$ 16,715,028
Percent of CEE (Instructional Salary Cost/Total CEE)		50.15%	0.00%	50.15%	100.00%	0.00%	100.00%
50% of Current Expense of Education		$ -	$ -	$ -	$ 8,357,514	$ -	$ 8,357,514

DETAILS OF THE EDUCATION PROTECTION ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2022

EPA Revenue	$ 4,105,292

Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	0100-5900	$ 4,105,292	$ -	$ -	$ 4,105,292
Total		$ 4,105,292	$ -	$ -	$ 4,105,292

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
COMBINING BALANCE SHEET – DISTRICT FUNDS INCLUDED IN THE REPORTING ENTITY
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Bond Interest and Redemption Fund	Measure A Interest and Redemption Fund	Cafeteria Fund	Dormitory Revenue Fund	Dormitory Repair and Replacement Fund	Capital Outlay Fund	Balance Forward
ASSETS								
Cash and equivalents	$ 16,272,255	$ 9,379	$ 7,388,032	$ (891,428)	$ 317,841	$ 24,313	$ 1,821,759	$ 24,942,151
Accounts receivable	3,076,138	1	18,839	261,948	156,470	53	3,150	3,516,599
Inventory	-	-	-	15,452	-	-	-	15,452
Prepaid assets	575,895	-	-	-	-	-	-	575,895
Due from other funds	18,579	-	-	463,103	38,673	16,946	45,923	583,224
Total Assets	$ 19,942,867	$ 9,380	$ 7,406,871	$ (150,925)	$ 512,984	$ 41,312	$ 1,870,832	$ 29,633,321
LIABILITIES								
Accounts payable	$ 3,978,591	$ -	$ 356,047	$ 27,387	$ 11,848	$ -	$ 55,976	$ 4,429,849
Deferred revenue	6,018,914	-	-	61,846	-	-	-	6,080,760
Amounts held for others	-	-	-	-	-	-	-	-
Current loans	-	-	-	-	-	-	-	-
Due to other funds	828,802	8,946	-	-	-	-	-	837,748
Total Liabilities	10,826,307	8,946	356,047	89,233	11,848	-	55,976	11,348,357
FUND EQUITY								
Fund balance	9,116,560	434	7,050,824	(240,158)	501,136	41,312	1,814,856	18,284,964
Total Fund Equity	9,116,560	434	7,050,824	(240,158)	501,136	41,312	1,814,856	18,284,964
Total Liabilities and Fund Equity	$ 19,942,867	$ 9,380	$ 7,406,871	$ (150,925)	$ 512,984	$ 41,312	$ 1,870,832	$ 29,633,321

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
COMBINING BALANCE SHEET – DISTRICT FUNDS INCLUDED IN THE REPORTING ENTITY
FOR THE YEAR ENDED JUNE 30, 2022

	Balance Brought Forward	Revenue Bond Construction Fund	Bookstore Fund	Student Financial Aid Trust Fund	Associated Students Trust Fund	Scholarship and Loan Trust Fund	Other Agency Funds	Total
ASSETS								
Cash and equivalents	$ 24,942,151	$ 1,048,876	$ (209,853)	$ 353,226	$ 79,751	$ 22,573	$ 150,841	$ 26,387,565
Accounts receivable	3,516,599	1,789	149,134	(988)	51,835	2,743	14,502	3,735,614
Inventory	15,452	-	104,984	-	-	-	-	120,436
Prepaid assets	575,895	-	-	-	-	-	56	575,951
Due from other funds	583,224	-	225,776	37,248	108	-	-	846,356
Total Assets	$ 29,633,321	$ 1,050,665	$ 270,041	$ (10,058)	$ 131,694	$ 25,316	$ 165,399	$ 31,266,378
LIABILITIES								
Accounts payable	$ 4,429,849	$ 2,640	$ 11,919	$ (66,720)	$ 358	$ -	$ 118	$ 4,378,164
Deferred revenue	6,080,760	-	-	228,256	1,411	-	17,100	6,327,527
Amounts held for others	-	-	-	-	-	25,316	-	25,316
Long-term obligations	-	-	-	-	-	-	-	-
Due to other funds	837,748	-	-	-	-	-	605	838,353
Total Liabilities	11,348,357	2,640	11,919	161,536	1,769	25,316	17,823	11,569,360
FUND EQUITY								
Fund balance	18,284,964	1,048,025	258,122	(171,594)	129,925	-	147,576	19,697,018
Total Fund Equity	18,284,964	1,048,025	258,122	(171,594)	129,925	-	147,576	19,697,018
Total Liabilities and Fund Equity	$ 29,633,321	$ 1,050,665	$ 270,041	$ (10,058)	$ 131,694	$ 25,316	$ 165,399	$ 31,266,378

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY – DISTRICT FUNDS INCLUDED IN THE REPORTING ENTITY
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Bond Interest and Redemption Fund	Measure A Interest and Redemption Fund	Cafeteria Fund	Dormitory Revenue Fund	Dormitory Repair and Replacement Fund	Capital Outlay Fund	Balance Forward
OPERATING REVENUES								
Net tuition and fees	$ 1,865,347	$ -	$ -	$ 171,098	$ 483,468	$ -	$ -	$ 2,519,913
Grants and Contracts, noncapital								
Federal	1,479,384	-	-	-	-	-	-	1,479,384
State	2,185,698	-	-	-	-	-	-	2,185,698
Local	102,329	-	-	10,654	92,335	-	69,900	275,218
Auxiliary enterprise sales, net	100	-	-	420,233	-	-	-	420,333
Total Operating Revenues	5,632,858	-	-	601,985	575,803	-	69,900	6,880,546
OPERATING EXPENDITURES								
Salaries	11,319,570	-	-	214,654	193,913	-	-	11,728,137
Employee benefits	5,748,744	-	-	122,215	125,382	-	-	5,996,341
Supplies, materials, and other operating expenses and services	7,879,844	-	5,639	412,183	120,424	33,107	242,691	8,693,888
Financial aid expenses	-	-	-	-	-	-	-	-
Total Operating Expenses	24,948,158	-	5,639	749,052	439,719	33,107	242,691	26,418,366
Operating Income (Loss)	(19,315,300)	-	(5,639)	(147,067)	136,084	(33,107)	(172,791)	(19,537,820)
NONOPERATING REVENUES (EXPENDITURES)								
State apportionments, noncapital	10,915,222	-	-	-	-	-	-	10,915,222
Education protection account revenues, noncapital	4,105,292	-	-	-	-	-	-	4,105,292
Local property taxes, noncapital	4,584,056	-	-	-	-	-	-	4,584,056
State taxes and other revenues, noncapital	2,558,080	-	10,363	-	-	-	-	2,568,443
Financial aid revenues	2,235	-	-	-	-	-	-	2,235
Investment income	66,909	5	39,453	4	3,555	247	7,705	117,878
Interest expense	(4,873)	(103,559)	(575,600)	-	-	-	-	(684,032)
Other non-operating revenues	38,646	-	-	186	23,950	-	43,390	106,172
Local property taxes and revenues, capital	-	-	1,818,097	-	-	-	-	1,818,097
Total Nonoperating Revenues (Expenditures)	22,265,567	(103,554)	1,292,313	190	27,505	247	1,051,095	24,533,363
OTHER FINANCING SOURCES (USES)								
Operating transfer in	89,545	357,056	-	-	-	8,000	-	454,601
Operating transfer out	(357,620)	-	-	-	(83,000)	-	-	(440,620)
Debt service	-	(253,486)	(815,000)	-	-	-	-	(1,068,486)
Total Other Financing Sources (Uses)	(268,075)	103,570	(815,000)	-	(83,000)	8,000	-	(1,054,505)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures/Expenses and Other Financing Uses	2,682,192	16	471,674	(146,877)	80,589	(24,860)	878,304	3,941,038
FUND EQUITY -- BEGINNING OF YEAR	6,434,368	418	6,579,150	(93,281)	420,547	66,172	936,552	14,343,926
FUND EQUITY -- END OF YEAR	$ 9,116,560	$ 434	$ 7,050,824	$ (240,158)	$ 501,136	$ 41,312	$ 1,814,856	$ 18,284,964

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY – DISTRICT FUNDS INCLUDED IN THE REPORTING ENTITY
FOR THE YEAR ENDED JUNE 30, 2022

	Balance Brought Forward	Revenue Bond Construction Fund	Bookstore Fund	Student Financial Aid Trust Fund	Associated Students Trust Fund	Scholarship and Loan Trust Fund	Other Agency Funds	Total
OPERATING REVENUES								
Net tuition and fees	$ 2,519,913	$ -	$ 124,234	$ -	$ 31,369	$ -	$ 23,550	$ 2,699,066
Grants and Contracts, noncapital								
Federal	1,479,384	-	-	-	-	-	-	1,479,384
State	2,185,698	-	-	-	-	-	-	2,185,698
Local	275,218	-	-	-	-	-	151,801	427,019
Auxiliary enterprise sales and charges	420,333	-	254,888	-	-	-	1,129	676,350
Total Operating Revenues	6,880,546	-	379,122	-	31,369	-	176,480	7,467,517
OPERATING EXPENDITURES								
Salaries	11,728,137	-	85,266	53,493	-	-	-	11,866,896
Employee benefits	5,996,341	-	39,313	7,410	-	-	-	6,043,064
Supplies, materials, and other operating expenses and services	8,693,888	605,703	222,241	136,285	14,512	-	148,425	9,821,054
Financial aid expenses	-	-	-	4,174,412	-	-	-	4,174,412
Total Operating Expenses	26,418,366	605,703	346,820	4,371,600	14,512	-	148,425	31,905,426
Operating Income (Loss)	(19,537,820)	(605,703)	32,302	(4,371,600)	16,857	-	28,055	(24,437,909)
NONOPERATING REVENUES (EXPENDITURES)								
State apportionments, noncapital	10,915,222	-	-	-	-	-	-	10,915,222
Education protection account revenues, noncapital	4,105,292	-	-	-	-	-	-	4,105,292
Local property taxes, noncapital	4,584,056	-	-	-	-	-	-	4,584,056
State taxes and other revenues, noncapital	2,568,443	38,973	-	682,535	-	-	-	3,289,951
Financial aid revenues	2,235	-	-	3,492,651	-	-	-	3,494,886
Investment income	117,878	6,605	13	7	4	-	7	124,514
Interest expense	(684,032)	-	-	-	-	-	-	(684,032)
Other non-operating revenues	106,172	-	-	-	-	-	-	106,172
Local property taxes and revenues, capital	1,818,097	-	-	-	-	-	-	1,818,097
Total Nonoperating Revenues (Expenditures)	24,533,363	45,578	13	4,175,193	4	-	7	28,754,158
OTHER FINANCING SOURCES (USES)								
Operating transfer in	454,601	-	-	564	-	-	-	455,165
Operating transfer out	(440,620)	-	-	-	-	-	-	(440,620)
Debt service	(1,068,486)	-	-	-	-	-	-	(1,068,486)
Total Other Financing Sources (Uses)	(1,054,505)	-	-	564	-	-	-	(1,053,941)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures/Expenses and Other Financing Uses	3,941,038	(560,125)	32,315	(195,843)	16,861	-	28,062	3,262,308
FUND EQUITY -- BEGINNING OF YEAR	14,343,926	1,608,150	225,807	24,249	113,064	-	119,514	16,434,710
FUND EQUITY -- END OF YEAR	$ 18,284,964	$ 1,048,025	$ 258,122	$ (171,594)	$ 129,925	$ -	$ 147,576	$ 19,697,018

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF FUND EQUITY TO NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

Total Fund Equity - District Funds Included in the Reporting Entity		
General Fund	$ 9,116,560	
Debt Service Fund	7,051,258	
Special Revenue Funds	302,290	
Capital Project Funds	2,862,881	
Proprietary Fund	258,122	
Student Financial Aid Fund	(171,594)	
Other Funds	277,501	$ 19,697,018
Assets recorded within the statements of net position not included in the District fund financial statements:		
Nondepreciable capital assets	$ 706,904	
Depreciable capital assets	66,066,746	
Accumulated depreciation	(29,484,431)	37,289,219
Unmatured Interest		(212,320)
Deferred outflows recorded within the statement of net position not included in the District fund financial statements:		
Deferred loss on refunding		382,507
Deferred outflows from pensions		2,831,593
Liabilities recorded within the statements of net position not recorded in the District fund financial statements:		
Compensated absences		(343,375)
Net pension liability		(10,902,788)
Net OPEB obligation		(4,785,411)
Long-term debt		(32,355,110)
Deferred inflows recorded within the statement of net position not included in the District fund financial statements:		
Deferred inflows - OPEB		(189,183)
Deferred inflows - Pensions		(7,751,464)
Total Net Position Reported Within the Statements of Net Position		$ 3,660,686

SISKIYOU JOINT COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF CHANGE IN FUND EQUITY TO CHANGE IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

Change in Fund Equity - District Funds Included in the Reporting Entity in the Reporting Entity	$ 3,262,308
Compensated absence expense not reported within the GASB 35 Statements	77,507
Depreciation expense reported within the GASB 35 Statements	(2,126,980)
Accretion of general obligation bonds reported within the GASB 35 Statements	(884,100)
Accrued interest reported within the GASB 35 Statements	79,849
Amortization of bond premiums reported within the GASB 35 Statements	63,323
Amortization of deferred loss on refunding reported within the GASB 35 Statements	(47,320)
Capital outlay expense not reported within the GASB 35 Statements	2,105,185
Pension expense reported within the GASB 35 Statements	1,525,024
Other postemployment benefits expense reported within the GASB 35 Statements	130,823
Principal payments on debt not reported within the GASB 35 Statements	1,068,486
Change in Net Position Reported Within the Statement of Revenues, Expenses, and Changes in Net Position	$ 5,254,105

NOTE 1 - PURPOSE OF SCHEDULES

District Organizational Structure

This schedule provides information about the District's boundaries and schools operated members of the governing board, and members of the administration.

Schedule of Expenditures of Federal Awards

This schedule includes the federal activity of the District under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance).

Expenses reported on this schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenses are not allowable or are limited as to reimbursement.

The District has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Schedule of Revenues and Expenditures of State Awards

The accompanying Schedule of State Financial Awards includes State grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented to comply with reporting requirements of the California Community College Chancellor's Office.

Schedule of Workload Measures for State General Apportionment – Annual/Actual Attendance

Full-time equivalent students is a measurement of the number of students attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to community college districts. This schedule provides information regarding the attendance of students based on various methods of accumulating attendance data.

Reconciliation of Annual Financial and Budget Report (CCFS-311) with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the CCFS-311 to the audited financial statements.

Reconciliation of the ECS 84362 (50 Percent Law) Calculation

This schedule provides the information necessary to reconcile the 50 Percent Law Calculation reported on the CCFS-311 to the audited data.

NOTE 1 - PURPOSE OF SCHEDULES, continued

Details of the Education Protection Account

This schedule provides information about the District's EPA proceeds and summarizes how the EPA proceeds were spent.

Combining Balance Sheet - District Funds Included in the Reporting Entity

This schedule provides a balance sheet detail of all District funds included in the government-wide financial reporting entity.

Combining Statement of Revenues, Expenses, and Changes in Fund Equity - District Funds Included in the Reporting Entity

This schedule provides revenues, expenditures, and changes in fund equity detail for all District funds included in the government-wide financial reporting entity.

Reconciliation of Fund Equity to Net Position and Reconciliation of Change in Fund Equity to Change in Net Position

These schedules provide the information necessary to reconcile the supplemental combining financial schedules to the audited financial statements.

NOTE 2 - COMBINING FINANCIAL STATEMENT SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The accompanying combining balance sheet – District funds included in the reporting entity, and the combining statement of revenues, expenditures/expenses, and changes in fund equity – are presented on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable” and “available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers property taxes available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Property taxes, franchise taxes, licenses, interest revenue, and charges for services are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

NOTE 2 - COMBINING FINANCIAL STATEMENT SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

The District reports advances of revenues on its combining balance sheet. Advances of revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Advances of revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has legal claim to the resources, the liability for advances of revenue is removed and revenue is recognized.

OTHER INDEPENDENT AUDITORS’ REPORTS

CWDL

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Trustees
Siskiyou Joint Community College District
Weed, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Siskiyou Joint Community College District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Siskiyou Joint Community College District's basic financial statements, and have issued our report thereon dated August 8, 2023.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered Siskiyou Joint Community College District internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Siskiyou Joint Community College District internal control. Accordingly, we do not express an opinion on the effectiveness of the Siskiyou Joint Community College District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as finding 2022-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Siskiyou Joint Community College District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
August 8, 2023

CWDL

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Trustees
Siskiyou Joint Community College District
Weed, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Siskiyou Joint Community College District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Siskiyou Joint Community College District's major federal programs for the year ended June 30, 2022. Siskiyou Joint Community College District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Siskyou Joint Community College District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Siskiyou Joint Community College District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Siskyou Joint Community College District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Siskiyou Joint Community College District's compliance based on our audit.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate it would influence the judgment made by a reasonable user of the report on compliance about Siskiyou Joint Community College District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Siskiyou Joint Community College District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Siskiyou Joint Community College District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Siskiyou Joint Community College District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
August 8, 2023

CWDL

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

The Board of Trustees
Siskiyou Joint Community College District
Weed, California

Report on State Compliance

Opinion on State Compliance

We have audited Siskiyou Joint Community College District's compliance with the types of compliance requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2021-22*, issued by the California Community Colleges Chancellor's Office for the year ended June 30, 2022. The applicable state compliance requirements are identified in the table below.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2022.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the compliance requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2021-22*, issued by the California Community Colleges Chancellor's Office. Our responsibilities under those standards and the compliance requirements are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Siskiyou Joint Community College District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for program. Our audit does not provide a legal determination of Siskiyou Joint Community College District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's compliance with the requirements listed in the table below..

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed in the table below has occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the 2021-2022 California Community Colleges Chancellor's Office *Contracted District Audit Manual* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 2021-2022 California Community Colleges Chancellor's Office *Contracted District Audit Manual*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed. We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any material noncompliance with the requirements listed in the table below that we identified during the audit.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any material noncompliance with the requirements listed in the table below that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the 2021-22 Contracted District Audit Manual, published by the California Community Colleges Chancellor's Office, and which is described in the accompanying schedule of findings and questioned costs as finding 2022-002. Our opinion on each state program is not modified with respect to these matters.

The District's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Procedures Performed

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with State laws and regulations applicable to the following:

Section 411 – SCFF Data Management Control Environment
Section 412 – SCFF Supplemental Allocation Metrics
Section 413 – SCFF Success Allocation Metrics
Section 421 – Salaries of Classroom Instructors (50 Percent Law)
Section 423 – Apportionment for Activities Funded From Other Sources
Section 424 – Student Centered Funding Formula Base Allocation: FTES
Section 425 – Residency Determination for Credit Courses
Section 426 – Students Actively Enrolled
Section 427 – Dual Enrollment (CCAP)
Section 430 – Scheduled Maintenance Program
Section 431 – Gann Limit Calculation
Section 444 – Apprenticeship Related and Supplemental Instruction (RSI) Funds
Section 475 – Disabled Student Programs and Services (DSPS)
Section 490 – Propositions 1D and 51 State Bond Funded Projects
Section 491 – Education Protection Account Funds
Section 492 – Student Representation Fee
Section 499 – COVID-19 Response Block Grant Expenditures

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing over state laws and regulations based on the requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2021-22*. Accordingly, this report is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
August 8, 2023

Section I – Summary of Auditors' Results

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	Yes
Non-compliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None Noted
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards	No
Identification of major programs:	

CFDA Numbers	Name of Federal Program of Cluster
84.007, 84.033 84.063, 84.268	Student Financial Aid Cluster
84.425E, 84.425F	Higher Education Emergency Relief Funds
21.019	Coronavirus Relief Funds

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	Yes

STATE AWARDS

Internal control over State programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for State programs:	Unmodified

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

FINDING #2022 – 001 – FINANCIAL CLOSING PROCESS

Type of Finding: Significant Deficiency in Internal Control Over Financial Reporting

Criteria
Internal controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP in a timely manner.

Condition / Context
The District was unable to complete its closing process in a timely manner due to key management turnover during the 2021-22 fiscal year. This turnover created difficulties in closing the fund financial statements and reporting of audited financial statements to all required agencies by the December 31, 2022 deadline.

Effect
The errors resulted in significant delays to the completion of the District's audited financial statements.

Cause
Management turnover in the business office during the closing process.

Repeat Finding
None.

Recommendation
To ensure policies and procedures are in place for all key management roles, so that, in the case of significant employee turnover, employees can be trained and ready for fiscal operations including closing, controls and reporting.

Management Response

The district is currently working with the new Business Office staff to ensure the timeliness of closing processes by creating internal deadlines well in advance of the required external deadlines and contracting with outside resources for training in key fiscal processes. It is anticipated that the bulk of the 2022-23 closing will be completed by the end of August 2023 to allow ample time for the district to complete the 2022-23 audit.

Section III – Federal Award Findings and Questioned Costs

This section identifies the audit findings required to be reported under Uniform Guidance.

There were no federal award findings or questioned costs identified during 2021-22.

Section IV – State Award Findings and Questioned Costs

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

FINDING #2022-002 – STATE COMPLIANCE (ANNUAL CCFS-311 REPORTING)

Criteria
The California Community Colleges Chancellor's Office requires that each community college district report the financial activity of the General Fund on a quarterly basis via the CCFS-311Q report and the districts' total revenues and expenditures for the fiscal year via the CCFS-311 by October 10 of each year. This report is also required to include the adopted budget for the subsequent fiscal year.

Condition/Context
In our testing of the District annual CCFS-311 for the fiscal year 2021-22, we noted that the certification and filing did not occur by October 10, 2022.

Questioned Costs
No questioned costs noted.

Effect
Noncompliance with submission requirements for the annual CCFS-311.

Cause
The annual CCFS-311 report was certified to the State Chancellor's Office after October 10, 2022.

Repeat Finding
None.

Recommendation
We recommend that in accordance with the instructions of the State Chancellor's Office for the Annual Financial and Budget Report requirements, the annual activity of all funds of the District be made available to the public on or before September 30 of each year and be submitted to the Chancellor's Office no later than October 10 of each year.

Management Response

The Business Office is now fully staffed and working through reconciliations for the 2022-23 fiscal year and closing processes are expected to be completed by the end of August. It is anticipated that the 2022-23 CCFS-311 will be presented to the governing board in September 2023 and submitted to the State Chancellor's Office by late September 2023.

There were no findings or questioned costs identified during 2020-21.